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FBIS-EAS-91-054 CONTENTS *20 March 1991*

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NORTHEAST ASIA

Japan

Government To Shelve Gulf Minesweeper Plan *[KYODO]* 1
Japan Pledges To Support Middle East Peace *[KYODO]* 1
Stronger Ties With Israel, Palestinians Pledged *[KYODO]* 1
Kaifu Remarks on Northern Territories Issue *[Tokyo TV]* 2
Foreign Ministry on Soviet Stance on Territories *[KYODO]* 2
Government, Opposition View Territory Issue *[KYODO]* 3
Foreign Minister Remarks on Disputed Islands *[KYODO]* 3
Gorbachev Invites Doi To Visit From 2 Apr *[KYODO]* 4
Minister Reiterates Caution Regarding USSR Aid *[KYODO]* 4
Keidanren Chief Supports Phased Islands Return *[KYODO]* 5
Sakhalin Governor Proposes Free Economic Zone *[KYODO]* 5
Nakayama Expresses Hope To Visit PRC in Apr *[KYODO]* 5
MITI Minister's Visit To Focus on Loans, Reform *[KYODO]* 6
    Minister To Discuss Arms Exports *[KYODO]* 6
Ministry Officials Cite PRC Stand on Arms Control *[KYODO]* 7
Swedish Prime Minister Carlsson Visit 7
    Meets Kaifu *[KYODO]* 7
    Meets Emperor Akihito *[KYODO]* 8
    Remarks on UN Gulf Operations *[KYODO]* 8
    Further on UN's Role *[Tokyo TV]* 8
GNP Growth Slows to Annual 2.1 Percent *[KYODO]* 9
    Ministry Official on GNP Figures *[KYODO]* 10
    Bank of Japan Governor on GNP *[KYODO]* 10
KYODO: Economists Do Not Foresee Recession 11
Chamber of Commerce Chief on Discount Rate Cut *[KYODO]* 11
Bank of Japan Governor on 'Economic Downturn' *[KYODO]* 12
    No Change in Discount Rate *[KYODO]* 12
    Further on Discount Rate *[KYODO]* 12
Jail for Violators of Commodity Funds Bill *[KYODO]* 13
MITI, U.S. Remain Split Over Chip Trade *[KYODO]* 13

North Korea

Table Tennis Team Departs for Training in Japan *[KCNA]* 14
World Circles View South's UN Entry Campaign *[KCNA]* 14
Reportage on Team Spirit Exercises Continues 14
    International Liaison Group Comments *[KCNA]* 14
    Activities for 18 Mar Reported *[KCNA]* 15
    ROK Students Stage Protest *[KCNA]* 15
U.S. Troop Pullout From ROK Said 'Essential' *[KCNA]* 15
Commentary Views No Tae-u Group's 'Offensive' *[KCNA]* 16
DLP 'Interference' in South's Elections Viewed *[KCNA]* 16
Soviet Envoy's Reception Marks Accord Signing *[KCNA]* 16
Joint Shipping Company With Soviets Inaugurated *[KCNA]* 17
Kim Tal-hyon Meets CSFR Trade Delegation *[KCNA]* 17
Trade Protocol Signed With CSFR Delegation *[KCNA]* 17
Yang Hyong-sop Meets Indonesian Delegation *[KCNA]* 17
Indonesian MP's Laud 'Great Man' Kim Il-song *[KCNA]* 17

Kim Il-song Congratulates Namibian President *[KCNA]* ... 18
Kim Il-song's Message From Syrian President *[Pyongyang Radio]* ... 18
O Chin-u Greets New Malagasy Defense Minister *[KCNA]* ... 18
WPK Sends Greetings to Australian Labor Party *[Pyongyang Radio]* ... 18
Exhibition Construction's Progress Reported *[KCNA]* ... 19
Kusong's Economic Development, Production Noted *[KCNA]* ... 19
Development of Chollima Steel Complex Praised *[KCNA]* ... 19
'Big Efforts' To Develop Metal Industry Noted *[KCNA]* ... 20
Medical Professor Receives Labor Hero Title *[Pyongyang Radio]* ... 20
Chongsong University Medical Program Profiled *[KCNA]* ... 20
Services of Hamyong Dental Hospital Described *[KCNA]* ... 21
KCNA Review of 19 Mar Pyongyang Press ... 21
KCNA Review of 20 Mar Pyongyang Press ... 22

South Korea

DPRK-Cuba Contract for Missiles Export Alleged *[CHOSON ILBO 20 Mar]* ... 23
North Softens Stand on 'Confederal System' *[HANGYORE SINMUN 20 Mar]* ... 23
Report Shows Increase in DPRK Foreign Debt *[THE KOREA HERALD 16 Mar]* ... 24
DPRK Said To Seek Economic Ties With West *[CHOSON ILBO 19 Mar]* ... 24
Joint N-S Table Tennis Team Uniforms Issued *[YONHAP]* ... 25
DPRK 'Underground Organizations' Examined *[CHUGAN CHOSON 3 Mar]* ... 26
Purpose of DPRK's Awards, Decorations Viewed *[KYONGHYANG SINMUN 12 Feb]* ... 28
Czech, Polish Observers Report on Team Spirit *[YONHAP]* ... 30
President No Visits Team Spirit Exercise Site *[YONHAP]* ... 30
Foreign Minister on Opposing North-Japan Ties *[THE KOREA TIMES 19 Mar]* ... 30
High-Speed Ferry Routes to Japan To Begin *[YONHAP]* ... 31
'Chronic' Trade Deficit With Japan Grows *[YONHAP]* ... 31
Licenses to 4 Japanese Securities Firms Refused *[KYODO]* ... 32
Foreign Securities Firms Allowed To Open *[YONHAP]* ... 32
PRC Official To Attend Seoul ESCAP Meeting *[THE KOREA HERALD 16 Mar]* ... 32
PRC Trade Officials Arrive, To Open Office *[YONHAP]* ... 32
Role in Northeast Asia Economic Plan Viewed *[THE KOREA HERALD 20 Mar]* ... 33
USSR Researcher Analyzes Korean 'Situation' *[THE KOREA HERALD 19 Mar]* ... 33
USSR Reportedly Softens Attitude Toward Seoul *[CHUNGANG ILBO 20 Mar]* ... 34
Government To Send Factfinding Group to Gulf *[YONHAP]* ... 35
Government To Increase Gulf Aid by $70 Million *[YONHAP]* ... 35
New Zealand Agrees To Remove Customs Duties *[THE KOREA TIMES 12 Mar]* ... 35
Increases in Economic Aid to Third World *[THE KOREA TIMES 16 Mar]* ... 36
Reactions on Call for Early DLP Convention *[THE KOREA TIMES 16 Mar]* ... 36
Poll Conducted on Views of Local Elections *[HANGUK ILBO 20 Mar]* ... 37
Four Accused, Three Booked for Election Bribery *[THE KOREA TIMES 20 Mar]* ... 37
Opposition Protests Airing of No Tae-u Meetings *[THE KOREA HERALD 20 Mar]* ... 38
    Criticism of TV Debate Dismissed *[YONHAP]* ... 38
Poet Accuses Security Agency of 'Torturing' *[YONHAP]* ... 38

SOUTHEAST ASIA

Burma

Exiles Hold News Conference at UK Parliament *[London International]* ... 39
Radio Reports Annulment of ULDP's Registration *[Rangoon Radio]* ... 39

Cambodia

Heng Samrin Addresses School Inauguration *[Phnom Penh Radio]* ... 40
Hundreds of Refugees Flee Fighting in Northwest *[AFP]* ... 41
Enemy Losses Reported in Northwestern Province *[SPK]* ... 42
Son Sann Gives Historical Overview of War *[Radio VOK]* ... 42
VONADK: Enemy Troops Routed in Kompong Cham ... 44

Indonesia

Alatas Meets Belgian Development Minister 19 Mar *[ANTARA]* 44
MP's Want Clarification on Losses, Bank Scandal *[ANTARA]* 44
  Government Issues Statement *[Jakarta Radio]* 44

Laos

Army Political Department Order on Anniversary *[Vientiane Radio]* 45
Khammouane Party Committee Conference Closes *[KPL]* 46
Conference of Security Personnel Concludes *[KPL]* 46
More Refugees Return Home From Thailand *[KPL]* 46
Lao-Thai Agricultural Experiment Launched *[KPL]* 46
Phoun Sipaseut Receives New Indonesian Envoy *[KPL]* 46
Phoumi Receives Indonesian Envoy's Credentials *[Vientiane Radio]* 47
Phoumi Receives Films From Korean Envoy *[KPL]* 47
Leaders Attend Cremation of Senior Buddhist Monk *[Vientiane Radio]* 47

Philippines

Aquino Clarifies Order on Imelda Marcos' Passport *[Quezon City Radio]* 47
Aquino Calls For 7-Year Extension of U.S. Bases *[Quezon City Radio]* 47
Manglapus on Government's Bases Retention Terms *[Quezon City Radio]* 48
Aquino Urged To Accept NDF's Truce-Bases Deal *[Quezon City Radio]* 48
Senators Assail 'Meager' Bases Compensation *[MANILA BULLETIN 20 Mar]* 48
  13 Senators Support Consultations *[MANILA BULLETIN 20 Mar]* 48
Camp John Hay Announces Termination of Workers *[THE MANILA CHRONICLE 20 Mar]* 49
Team To Discuss Debt Condonation With U.S. *[BUSINESS WORLD 19 Mar]* 50
Negotiators Seek Cofinancing Scheme With Japan *[PHILIPPINES NEWSDAY 20 Mar]* 51
'Defeatism' Guides Conduct of Debt Negotiators *[PHILIPPINE DAILY INQUIRER 19 Mar]* 51
Ramos To Meet Aquino on 'Presidential Plans' *[PHILIPPINE DAILY INQUIRER 20 Mar]* 52
Enrile Denies Withdrawal as Presidential Candidate *[Quezon City Radio]* 53
Military Reports Bombings in Marag Valley *[Quezon City Radio]* 53
  Admits 'Lapses' in Marag Offensive *[PHILIPPINES NEWSDAY 20 Mar]* 53
AFP Chief on Operations Against Rebels in Luzon *[Quezon City Radio]* 53
Negros Landlords Cut Subsidy for Militia Units *[THE MANILA CHRONICLE 18 Mar]* 54
Labor Department Predicts 'Peaceful' Year *[THE MANILA CHRONICLE 19 Mar]* 54
Tourist Protection Group Formally Activated *[Manila Radio]* 55

Thailand

Official To Visit Middle East To Restore Ties *[THE NATION 20 Mar]* 55
Prime Minister Outlines Government Policies *[BANGKOK POST 20 Mar]* 55
  Promises Business Deregulation *[BANGKOK POST 20 Mar]* 56
Foreign Minister on Ties With Indochina, Burma *[THE NATION 20 Mar]* 57
Editorial Lauds Moves in Indochinese Relations *[THE NATION 15 Mar]* 58
Military Warns Burmese Rebels on Staging Battles *[THE NATION 19 Mar]* 59
Article Analyzes Chawalit-NPKC 'Split' *[THE NATION 20 Mar]* 59
'Crucial' Aviation Talks With U.S. Begin 18 Mar *[BANGKOK POST 19 Mar]* 61
Justice Ministry To Set Up Trade Dispute Court *[BANGKOK POST 16 Mar]* 61
Department Grants Licenses for Cigarette Imports *[BANGKOK POST 16 Mar]* 61
Government To Submit New Drug Bill to Assembly *[THE NATION 19 Mar]* 62

Vietnam

Reportage on Cambodian Arms, Settlement Issues 62
  NHAN DAN Urges End to Arms Aid *[VNA]* 62
  Total Ban on Arms Urged *[Hanoi International]* 63
  Radio Urges Early Solution to Issues *[Hanoi Radio]* 63
  UN Supports Government Stance *[VNA]* 64

Bou Thang, Nguyen Quyet Meet With Units *[Hanoi Radio]* 64
Nguyen Van Linh Address on Ethnic Khmers *[Hanoi TV]* 65
Further Reports on Congresses, Draft Documents 67
  Nam Dan District Holds Party Congress *[Hanoi Radio]* 67
  Ha Son Binh Security Forces Congress *[Hanoi TV]* 68
  Army Research Department Views Documents *[Hanoi Radio]* 68
Vo Chi Cong Speaks to People's Councils Meeting *[Hanoi Radio]* 69
General Addresses Army Art Sector on Anniversary *[Hanoi Radio]* 69
  Vo Chi Cong Letter to Art Sector *[Hanoi Radio]* 70
Vo Chi Cong Visits to Phu Yen Province *[Hanoi Radio]* 71

AUSTRALASIA

Australia

Seven Seized Indonesian Boats Lost on High Seas *[AFP]* 72

Fiji

Union Ban on Australian Mining Firm 'Illegal' *[AFP]* 72

French Polynesia

Opposition Party Set To Form New Government *[AFP]* 73

New Zealand

Bolger—Alleged Soviet Spy Deported *[AFP]* 73
  USSR Envoy Denies Spy Allegation *[AFP]* 73

Papua New Guinea

McKinnon Promises Aid Contribution, Ends Visit *[AFP]* 74

Japan

Government To Shelve Gulf Minesweeper Plan

OW1903135091 Tokyo KYODO in English 1339 GMT 19 Mar 91

[Text] Tokyo, March 19 KYODO—Japan will provide 10 million dollars in aid to Palestinian refugees as part of its post-Persian Gulf war contribution, government sources said Tuesday.

Japan's fresh package of contributions will also include 1.1 million dollars for a United Nations-sponsored environmental rehabilitation project, but the government will shelve a plan to send minesweepers to the Persian gulf, they said.

The government will also provide economic assistance to "frontline countries" such as Egypt and Syria and to Asian countries hurt economically by the Gulf war, including the Philippines, the sources said.

A cabinet-rank task force on the Gulf crisis, headed by Prime Minister Toshiki Kaifu, will give official approval to the package soon, they said.

The government is also prepared to discuss a U.S. proposal to establish a Middle East Restoration and Development Bank as a long- term project.

The sources said Japan is also willing to provide extra funds to the United Nations if the world body sends a peacekeeping force to the Middle East. It is also prepared to send civilians to the region for restoration work or election monitoring missions if the U.N. asks Tokyo to do so, the sources said.

Japan Pledges To Support Middle East Peace

OW2003060491 Tokyo KYODO in English 0537 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—Japan pledged Wednesday to back up efforts to achieve peace in the Middle East and to help the region rehabilitate from damage suffered in the Persian Gulf war.

Japan's fresh package of pledges on contributions to the Middle East, which was adopted at a cabinet-level task force meeting Wednesday, declares the government's active commitment to the security of the Middle East.

The Middle East is an "extremely important region" for the peace and stability of the world and also from the viewpoint of ensuring a stable supply of energy, the document said.

The package pledges that Japan will provide assistance to the United Nations in the financial and other aspects if the world body launches fresh peacekeeping operations in the region.

It, however, falls short of naming any substantial amount as Japan's economic assistance to U.N. peacekeeping operations. It also does not touch on a proposed sending of Japanese minesweepers to the Gulf.

Government spokesman Misoji Sakamoto announced the package at a press conference following the meeting of the 16-member cabinet group on the Persian Gulf crisis, attended by Prime Minister Toshiki Kaifu and himself.

Sakamoto, the chief cabinet secretary, referring to the new package, suggested that Japan would not assist Iraq as long as Iraqi President Saddam Husayn remains in power. "The domestic situation in Iraq is very complicated, so we can't easily offer aid," he told reporters.

The document names five fields where Japan can contribute—a security system, arms control and disarmament, the peace process, economic rehabilitation, and environmental preservation.

Stronger Ties With Israel, Palestinians Pledged

OW2003101491 Tokyo KYODO in English 0924 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—Japan pledged Wednesday to step up contacts with Palestinians and Israelis and also vowed to help finance U.N. peacekeeping operations as part of a post-Persian Gulf war policy package for the Middle East.

The package, outlining plans for expanded political contacts in the region and contributions to economic reconstruction, arms control and environmental rehabilitation, was scant on details and avoided politically sensitive issues such as whether Japan will send soldiers to the region to help enforce peace.

Chief Cabinet Secretary Misoji Sakamoto, announcing the package at a news conference, said it would take time to work out concrete programs because policies should be formulated based on initiatives of Middle East nations.

The plan was released a day before Foreign Minister Taro Nakayama will head for Washington to discuss the post-Gulf war situation with U.S. Secretary of State James Baker.

It said that Japan supports holding an international conference for negotiating peace in the Middle East and will intensify political dialogue with major parties in the region.

Japan is considering emergency food aid and other assistance to Palestinians living in Israeli-occupied land, according to the plan. Government sources have said they are preparing 10 million dollars for Palestinian refugees.

Japan also vowed to step up high-level exchanges with Israel, but made no reference to economic aid. A government official said earlier that Israel is too rich to be eligible for official development assistance.

The plan, adopted by Prime Minister Toshiki Kaifu's cabinet-level Gulf Crisis Task Force, did not address whether Japan would be able to provide military personnel if U.N. peacekeeping forces are mobilized, or send minesweepers to the area.

In parliamentary debate, Kaifu said Wednesday that Japan would make a "Japanese-style" contribution to peacekeeping operations because there are limitations on the range of Japan's participation.

Last fall, the government's plan to send military personnel to serve in noncombat roles in the U.S.-led military campaign against Iraq was foiled by political opponents, who said the move would violate Japan's constitutional ban on using force to resolve international conflicts.

Responding to the latest policy package, the leading opposition Social Democratic Party (formerly the Japan Socialist Party) petitioned the government Wednesday to limit participation in U.N. peacekeeping activities to civilians.

Mutsuyoshi Nishimura, a senior official at the Foreign Ministry, said that Japan is planning to send a small number of government officials to perform civilian jobs.

A top government source indicated that Japan wants to wait out local elections slated for April 7 prior to making a decision on whether to offer minesweepers.

The dispatch "depends on public opinion. If everyone says go, then we'll send them. This is not a technical problem, but a policy decision," he said.

The proposal was put forward by an executive of the ruling Liberal Democratic Party last week after Germany announced it would provide minesweepers to help ensure safe passage for ships in the Persian Gulf.

Japanese officials have said they believe Japan has been criticized by the international community, and the United States in particular, because it is unwilling to take on even a symbolic military role.

The package advocated a central role for the United Nations in establishing an arms control regimen, and suggested that the United Nations create a system for tracking international weapons trade.

Japan is planning to host a U.N. disarmament conference in mid- May, officials said.

On economic reconstruction, Japan will offer emergency humanitarian assistance to Kuwait and technical cooperation for economic reconstruction.

Economic aid to other countries in the region which have suffered due to the hostilities will be conducted primarily on a bilateral basis, according to the policy statement.

Japan has already pledged some 2 billion dollars to Egypt, Jordan and Turkey, in addition to a nearly 11 billion dollar contribution to support the U.S.-led multinational forces that ousted Iraq from Kuwait three weeks ago.

Japan is prepared to respond to international appeals for humanitarian aid to Iraq, though funds for economic rebuilding will depend on domestic political developments there.

Top Government Spokesman Sakamoto, referring to the new package, suggested that Japan would not assist Iraq as long as President Saddam Husayn remains in power.

Kaifu Remarks on Northern Territories Issue

OW2003073091 Tokyo NHK General Television Network in Japanese 0300 GMT 20 Mar 91

[Text] Prime Minister Kaifu today spoke at the Upper House Budget Committee in reference to provisions of the new union treaty of the Soviet Union requiring approval of republics concerned when borders of republics are changed. He expressed his belief that negotiations on the northern territories should be conducted with the Government of the Soviet Union.

[Begin recording] [Komeito's Oikawa] President Gorbachev is due to visit Japan. Will you tell us how the Japanese Government, with this historical event upcoming, intends to make the most of it with respect to its relations with the Soviet Union? I would like to know your basic thinking in this regard.

[Kaifu] Now, between Japan and the Soviet Union, there are major problems that need to be resolved, and these include the territories issue relating to four islands and the conclusion of a peace treaty. Exchanges are expanding in various areas between the two countries at present. While the exchanges are expanding, the long-pending territories question remain to be solved. We would like to make the visit a breakthrough or starting point for establishing a really friendly and stable relationship. This is my hope with regard to the visit, and we are preparing for it on that basis. [end recording]

Mr. Oikawa then asked the prime minister about provisions in the new union treaty of the Soviet Union requiring that any change in territories of republics be approved by republics involved. Questioned about his plan on relations with the Russian Republic, Prime Minister Kaifu said that nation-to-nation negotiations should be conducted by top national leaders on behalf of their nations. He said that issues concerning the Russian Republic are domestic matters of the Soviet Union, and should be decided by the Soviet Union. He thus expressed his belief that the negotiations on the northern territories should, by all means, be conducted by the Government of the Soviet Union.

Meanwhile, Mr. Hyodo, director of the Foreign Ministry European and Oceanic Affairs Bureau, said that the diplomatic negotiations need to be conducted with the Government of the Soviet Union, but communications with the Russian Republic and Sakhalin Oblast, which control the northern territories, are necessary. He added that active exchanges are being promoted with these areas at present.

Foreign Ministry on Soviet Stance on Territories

OW2003082891 Tokyo KYODO in English 0806 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—The Soviet Union may propose returning two of the four disputed islands off Hokkaido despite Japan's longstanding call for an en bloc reversion, a senior Foreign Ministry official suggested Wednesday.

Nagao Hyodo, director general of the ministry's European and Oceanic Affairs Bureau, said that he thinks that the Soviet Union has returned to its position in the 1956 Japan-Soviet joint declaration, in which Moscow promises to return Shikotan and the Habomai group to Japan.

The decades-long territorial dispute is widely expected to be the top priority for talks between Japanese Prime Minister Toshiki Kaifu and Soviet President Mikhail Gorbachev, scheduled for mid-April in Tokyo.

Hyodo, speaking at the House of Councillors' Budget Committee session, said the Soviet Union once retreated from the 1956 position following the conclusion of the Japan-U.S. Security Treaty in 1960.

However, Hyodo added that former Soviet Foreign Minister Eduard Shevardnadze has told Japanese officials that a possible peace treaty between Japan and the Soviet Union does not contradict the security arrangements between Japan and the United States.

The 1956 joint declaration, which was issued by Japanese Prime Minister Ichiro Hatoyama and Soviet Premier Nikolay Bulganin, put an end to the state of war between the two countries and restored diplomatic ties between them.

The declaration promises the return to Japan of Shikotan and the Habomais after a Japan-Soviet peace treaty is concluded. But it does not mention on the return of two larger islands, Kunashiri and Etorofu.

The Soviet Union has occupied the four islands, situated east of Hokkaido, since the end of World War II. Japan demands the simultaneous return of all four islands as a prerequisite for concluding a peace treaty.

In 1960, then Soviet Foreign Minister Andrey Gromyko sent a letter to Japan, saying that Moscow could no longer implement the promise to return Shikotan and the Habomais because of the Japan-U.S. Security Treaty.

Foreign Minister Taro Nakayama told the same committee that the government will make efforts so that Gorbachev's April 16-19 visit to Japan would serve as a major breakthrough leading to resolution of the bilateral territorial dispute.

In a related development, Prime Minister Toshiki Kaifu told reporters that Japan will maintain its basic position to call for the return of all four islands simultaneously.

Government, Opposition View Territory Issue

OW2003135691 Tokyo KYODO in English 1329 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—The Soviet Union may propose to Japan that it will return two of the four islands off eastern Hokkaido claimed by Tokyo, a senior Foreign Ministry official said on Wednesday.

Nagao Hyodo, director general of the ministry's European and Oceanic Affairs Bureau, made the remark at a House of Councillors Budget Committee meeting.

The Kremlin may give the Habomai chain and Shikotan back to Tokyo in line with the 1956 Japan-Soviet joint declaration pledging the return of the two islands to Japan.

The Soviet Union has occupied the four islands—the Habomai group, Shikotan, Etorofu and Kunashiri—since the end of World War II. Japan has been demanding the simultaneous return of all four islands as a prerequisite for concluding a peace treaty between the two countries.

Foreign Minister Taro Nakayama told the upper house that the government will not agree with the Soviet Union on the return of the two islands to Japan even if Moscow makes the proposal.

But Nakayama said he expected Soviet President Mikhail Gorbachev's visit to Japan scheduled for April 16-19 will bring about a major turning point on the territorial issue paving the way for the signing of a peace treaty between the two countries.

Japan's second-largest opposition party, Komeito, held a meeting of its top officials to reconfirm that the Soviet Union should give all four islands back to Japan at the same time.

The top officials said Japan must not extend economic aid to the Soviet Union as long as the territorial issue remains unresolved.

The Social Democratic Party (SDP) held a project committee meeting Wednesday and decided to make a major change in the party's policy concerning the territorial issue. The shift will mean that the SDP will agree to the return of two islands now instead of the four islands at the same time.

Japan's largest opposition party, formerly called Japan Socialist Party, said it was legitimate for the party to demand the return of Kuril Islands that include the four disputed islands from the standpoint of international law.

But the SDP implied it will support the return of only two islands, saying that it is high time for political considerations to be made to break the long-standing deadlock on the territorial issue.

Foreign Minister Remarks on Disputed Islands

OW1903132891 Tokyo KYODO in English 1259 GMT 19 Mar 91

[Text] Tokyo, March 19 KYODO—Japan will discuss possible aid for Soviet President Mikhail Gorbachev's perestroyka policies in tandem with its demand for the return of four Soviet-held islands at Japan-Soviet summit talks in April, Foreign Minister Taro Nakayama said Tuesday.

Nakayama told the House of Councillors budget committee that Japan is in principle linking "politics and economics" in the upcoming talks between Prime Minister Toshiki Kaifu and Gorbachev, who is to visit Japan April 16-19, as the first Kremlin leader to do so. Nakayama did not elaborate.

Kaifu said at the same meeting that the recent situation in the Soviet Union includes aspects that make him anxious, but reiterated that he would like to make the visit a breakthrough for an upgrading of the basic bilateral relationship.

Nakayama and Kaifu were answering a question put by a member of their own ruling Liberal Democratic Party, Shigenobu Sakano.

Commenting on the nationwide Soviet referendum, Kaifu told the session that Gorbachev has won a majority of votes in support of maintaining the union.

On the issue of Japanese soldiers and civilians detained in labor camps in the Soviet Union after World War II, Nagao Hyodo, director general of the Foreign Ministry's European and Oceanic Affairs Bureau, said there is information that Gorbachev might express his regret over the matter while in Japan.

He told the committee that Japan expects the Soviets will make a sincere effort during the Gorbachev trip. The government is asking Moscow to provide Japan with lists of names of the deceased and their places of burial and to facilitate the return of remains.

The Soviet Union admitted publicly only last year that between August 9 and September 2 of 1945, Soviet troops detained 594,000 Japanese Imperial Army soldiers, including Korean, Chinese and Malay draftees, and even some civilians.

Non-Japanese were later released, but some 16,000 captives died of injury or illness before being sent to labor camps. Of the remainder, a group of about 12,000 were sent to Mongolia, while 546,086 were sent to camps in Siberia, Soviet Europe or the Caucasus for railroad construction and other hard labor. Of these, 46,082 died in detention and their remains were never returned, with the exception of those of a very few senior commanders.

Moscow had long refused to reveal the details of the matter and maintained that only 3,957 detainees died.

Concerning a Japan-U.S. summit meeting in Washington, Nakayama said in the Diet session the date will be set in his upcoming meeting with U.S. Secretary of State James Baker in the U.S. capital.

He said negotiations are underway to have Kaifu's U.S. trip sometime in early April. Nakayama will fly to the U.S. on Wednesday.

Gorbachev Invites Doi To Visit From 2 Apr

OW2003105991 Tokyo KYODO in English 1044 GMT 20 Mar 91

[Text] Fukuoka, March 20 KYODO—Social Democratic Party (SDP) Chairwoman Takako Doi said Wednesday she has received an invitation from Soviet President Mikhail Gorbachev to meet him in Moscow on April 2 prior to his planned visit to Japan.

Doi did not disclose whether or not she accepted the invitation. She only said that she will consult with other party leaders in order to make a decision on the invitation.

Doi, who is in Fukuoka for the gubernatorial election campaign, told reporters that she had initially been planning to make a visit to Moscow around April 8 but was asked by the Soviets to advance the trip schedule because they will be preoccupied with preparations for Gorbachev's April 16-19 visit to Japan.

The head of Japan's largest opposition party, formerly known as the Japan Socialist Party, said nationwide local election campaigns will be still under way during that time.

As for Japan's cooperation in the United Nations peacekeeping operations, Doi said the SDP is willing to negotiate positively with Komeito because the two parties have common views on the matter of non-military assistance.

"We are not in a position to comment on the specifics of the three-party agreement reached by the Liberal Democratic Party, Komeito, and Japan Democratic Socialist Party. But I think public consent is important so we would like to discuss the contents with Komeito," she said.

The three-party agreement calls for the creation of an organization for peacekeeping operations that is entirely separate from the Self-Defense Forces.

Minister Reiterates Caution Regarding USSR Aid

OW2003061791 Tokyo KYODO in English 0325 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—Finance Minister Ryutaro Hashimoto on Wednesday reiterated his cautious stance toward extending financial assistance to the shattered economy of the Soviet Union.

Speaking at a budget committee session of the House of Councillors, Hashimoto said the Soviets have yet to meet the preconditions for any financial aid which the four international bodies set in line with an agreement at the summit meeting of the Group of Seven (G-7) industrial nations last summer.

"Japan should respect the agreement, and act with prudence," he said.

Keidanren Chief Supports Phased Islands Return

OW1903135191 Tokyo KYODO in English 1039 GMT 19 Mar 91

[Text] Tokyo, March 19 KYODO—An influential business leader urged the government Tuesday to abandon its insistence that the Soviet Union return all four disputed northern islands to Japan at once, paving the way for expanding Japanese economic assistance to that country.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), told a news conference he thinks Japan could offer economic assistance to the Soviet Union if Moscow promises to return all four Soviet-held islands in two stages.

Japan's demand for the return of the four disputed islands east of its northernmost main island of Hokkaido is expected to be one of the main questions discussed when Soviet President Mikhail Gorbachev visits Japan in mid-April.

The Soviet independent NEWS AGENCY INTERFAX said Monday that Moscow may offer to return the Habomai Islet group and Shikotan Island when Gorbachev visits Japan.

Hiraiwa said Japan should let the Soviet Union return the Habomais and Shikotan first, followed later by the two other islands—Kunashiri and Etorofu.

A time lag between the two stages would be no problem, he added.

Hiraiwa said the government should take the initiative in promoting economic cooperation with the Soviet Union once the territorial issue is solved.

The government has linked Japanese assistance to the Soviet Union to settlement of the territorial question.

Rokuro Ishikawa, president of the Japan Chamber of Commerce and Industry, meanwhile, said the government should ask Moscow to return all four islands before it enters negotiations on their reversion.

Whether and how Moscow will return the islands are separate issues, he added, indicating he would support a phased return.

Four major economic groups, including the Federation of Economic Organizations (Keidanren) and the Japan Chamber of Commerce and Industry, will discuss the Japan-Soviet territorial issue Friday, officials of the groups said.

Sakhalin Governor Proposes Free Economic Zone

OW2003120691 Tokyo KYODO in English 1118 GMT 20 Mar 91

[Text] Yuzhno-Sakhlinsk, Soviet Union, March 20 KYODO—The Governor of Sakhalin Province proposed on Wednesday that the province jointly manage the four disputed islands off Hokkaido with Japan as a free economic zone, Liberal Democratic Party (LDP) officials said.

However, an LDP mission headed by acting party Secretary General Koko Sato turned down the offer of V.P. Federov, governor of the Soviet Far East island.

The governor told the delegation that under the Soviet Union's present social situation, no Soviet leader can manage politics on personal opinion, making it difficult for President Mikhail Gorbachev or Russian President Boris Yeltsin to solve the issue with Japan by individual instruction.

The four disputed islands are under judicial supervision of Sakhalin province of the Russian Federation.

It is impossible for the Soviet Union to return the controversial islands to Japan without the approval of its people, including residents of the four islands, he said.

A referendum held among residents of the islands earlier in the week saw a large majority oppose their return to Japan.

Fedorov was quoted as saying that if a national referendum on the issue is held in the Soviet Union, the whole country will oppose the return of the islands to Japan, and this could have an adverse influence on bilateral relations.

The governor, who is regarded as being loyal to Yeltsin, said the idea of setting up a free economic zone in the islands is the only realistic measure to settle the issue.

Sato, also a member of the house of representatives, rejected the proposal, saying he doubts whether residents of the islands know the facts about their history. The Soviet Union seized the islands in the final days of World War II.

Sato said hearing the opinions of residents was not enough and the Soviet Union should have the courage to return the islands to Japan. Fedorov refuted that by saying returning them is tantamount to political suicide in the Soviet Union.

Over 80 percent of voters on the Soviet-held island of Etorofu rejected the idea of its return to Japan in a nonbinding referendum held on Sunday.

More than 70 percent on the three other islands claimed by Japan also responded in the referendum that they did not approve of reverting to Japanese sovereignty.

But 44.1 percent on Etorofu indicated they would prefer to remain on the island even if it was ceded to Japan.

Meanwhile, A.P. Aksynoov, head of the Sakhalin People's Assembly, told the mission he hopes its trip to Sakhalin would pave the way for a successful visit to Japan by Gorbachev in mid-April.

Nakayama Expresses Hope To Visit PRC in Apr

OW2003045091 Tokyo KYODO in English 0344 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—Foreign Minister Taro Nakayama said Wednesday he wants to visit China "as early as possible in April," according to Foreign Ministry officials.

Officials said Nakayama made the remarks in a meeting with Chinese Vice Foreign Minister Qi Huaiyuan, who arrived in Japan on Monday to participate in a session of regular consultations between the Chinese and Japanese Foreign Ministries.

Nakayama was quoted as telling Qi that he looks forward to meeting again with Chinese Foreign Minister Qian Qichen. The two previously met last fall in New York.

Nakayama's remarks followed Prime Minister Toshiki Kaifu's message to Chinese Premier Li Peng last Friday, in which he told the premier he would be sending Nakayama to Beijing to lay the groundwork for his own visit there.

Kaifu's first ever visit to China as Japan's leader is expected to take place shortly after the Diet, or Japanese parliament, winds up its current session May 8.

But officials said Nakayama's visit to China remains conditional on the Diet's granting of permission.

Diplomatic affairs are now high on the agenda of the Diet in the wake of the Persian Gulf war and ahead of Soviet President Mikhail Gorbachev's visit to Tokyo on April 16.

Last week Nakayama said he also wants to visit Vietnam, but officials said his tight schedule would not permit him to make the trip at the same time as the China visit.

Qi, the most senior of China's four vice foreign ministers, told Nakayama of his country's appreciation for Japanese efforts since last year to promote bilateral relations.

He added that China looks to Nakayama's early visit as an opportunity to further repair and promote the bilateral ties.

Relations between the two countries were strained in the aftermath of China's June 1989 military crackdown on the pro-democracy movement, but Japan has begun resuming economic assistance and high-level contacts.

After the talks with Nakayama, Qi entered into a full day of consultations with Deputy Foreign Minister Hisashi Owada on bilateral and international affairs. The last such meeting was held in April 1990.

Qi will leave Japan on Friday after visiting Osaka in western Japan.

MITI Minister's Visit To Focus on Loans, Reform

OW2003083391 Tokyo KYODO in English 0802 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—International Trade and Industry Minister [MITI] Eiichi Nakao will make a four-day visit to China starting Thursday with the hope of reshaping the bilateral economic ties.

Nakao will exchange views over a variety of economic and political issues with Chinese leaders, probably including Prime Minister Li Peng, MITI officials said.

The topics expected to be discussed include China's Eighth Five- Year Plan for modernizing the country's economy, bilateral trade, expansion of investments, and reconstruction of the Middle East economies after the Gulf war, arms control, and the formation of a new world order, the officials said.

Nakao hopes to see clearly where China's reformist policy is heading, as it is believed to have been derailed after the suppression of pro-democracy demonstrators in Beijing in June 1989.

Nakao is the third Japanese cabinet member to visit Beijing since the incident.

The new five-year economic plan will be the main topic at a National People's Congress session to begin next week.

Concerning the plan, Nakao will discuss with the Chinese leaders Japan's pledge to provide a total of 810 billion yen in loans over six years from 1990.

Tokyo has decided to disburse 122.5 billion yen of the total in fiscal 1990 ending this month.

The two sides expect to agree on terms for the remaining part of the loans, the MITI officials said.

Bilateral trade in 1990 showed the first decline in four years due to slowing Japanese exports to China.

Nakao will seek ways to boost bilateral trade, the officials said.

The two sides are also to assess the progress of investments made since the establishment of investment promotion committees in both countries about a year ago.

Beijing is expected to call for Tokyo's cooperation in developing oil reserves in the Tarim Basin and to seek loans from the Export- Import Bank of Japan for developing other natural resources.

Minister To Discuss Arms Exports

OW2003134891 Tokyo KYODO in English 1331 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—Japan's Minister of International Trade and Industry Eiichi Nakao may ask for Chinese cooperation in regulating arms exports when he visits China from Thursday through Sunday, a senior Ministry official said Thursday [as received].

Nakao is scheduled to meet Premier Li Peng and other leaders, during the China visit.

According to the MITI official, Nakao will seek China's understanding of Japan's policy of not exporting arms to communist nations, countries subject to a United Nations military ban, and countries involved in fighting, or those considered likely to start a war.

But the official, who asked not to be named, noted that Nakao will not link China's arms exports to an argument among some Liberal Democratic Party officials that Japan should not provide official development assistance (ODA) to nations that export arms.

"The issue is not related to aid," the official said.

Ministry Officials Cite PRC Stand on Arms Control

OW2003125591 Tokyo KYODO in English 1227 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—China showed reluctance to a proposal to restrict arms exports at Wednesday's meeting with Japanese Foreign Ministry officials, ministry officials said.

Chinese Vice Foreign Minister Qi Huaiyuan responded negatively to the idea raised by Deputy Foreign Minister Hisashi Owada in a regular bilateral consultations between Japanese and Chinese Foreign Ministry officials, according to Japanese officials.

Owada explained Japan's post-Persian Gulf war contribution plan which calls for restricting arm exports, asking for cooperation from China, a permanent member of the United Nations Security Council, and an arms exporter, the officials said.

Qi said it is difficult to reach agreements with all countries that export weapons, and it is even more difficult to fulfill the agreement, the officials said.

But Owada and Qi agreed to arrange Nakayama's visit to China between April 4 and 6, the officials said.

Qi arrived in Tokyo on Monday and met Foreign Minister Taro Nakayama early Wednesday.

Swedish Prime Minister Carlsson Visit

Meets Kaifu

OW1703133691 Tokyo KYODO in English 1237 GMT 17 Mar 91

[Text] Tokyo, March 17 KYODO—Visiting Swedish Prime Minister Ingvar Carlsson on Sunday urged Japan to join United Nations peacekeeping forces and asked for increased investment in the Scandinavian kingdom, Japanese officials said.

In his meeting with Prime Minister Toshiki Kaifu, Carlsson noted Japan's potential U.N. role and promised to help Japan develop that role.

Sweden has sent 50,000 servicemen from its standby forces to various U.N. peacekeeping efforts since 1962, such as Lebanon, the officials said. "Neutral Sweden, with a considerably strong military power, is able to contribute to the world in such a way."

"Japan can make a significant contribution in the field. Sweden is ready to extend cooperation using its past experience," Carlsson said.

Kaifu told Carlsson that debate on the issue is active in the Diet and that his ruling Liberal Democratic Party and the centrist opposition parties, Komeito and the Democratic Socialist Party, are seeking ways Japan can join U.N. peace efforts.

Foreign Minister Taro Nakayama and Chief Cabinet Secretary Misoji Sakamoto joined Kaifu in the talks with Carlsson, who is the first Swedish prime minister to visit Japan. Carlsson arrived Saturday for a week-long trip.

Kaifu thanked Carlsson for letting a Japanese Government mission study Sweden's standby U.N. force earlier this year. In January, Foreign Ministry officials toured Sweden and inspected the 1,600- strong stand-by force's command and operations to help Japan plan such an organization.

The two prime ministers agreed the U.N. should play a central role in bringing peace to the postwar Persian Gulf, primarily by implementing past U.N. resolutions on the Palestine issue.

They also agreed that some restrictions on the arms trade in the region is necessary. "We must reflect on who made Iraq so strong," Kaifu was quoted as saying. Carlsson noted, "Some nations had to fight for their own interests in the Gulf war," the officials said.

Carlsson said he will add Middle East arms restrictions to the agenda of an international leadership conference being held in Stockholm next month. Kaifu told Carlsson of plans to hold an international meeting on the issue in Tokyo in May, the officials said.

Swedish Industry Minister Rune Milin, who accompanied Carlsson, asked Kaifu to boost Japanese investment in Sweden, they said.

Milin told Kaifu about Sweden's recent tax reductions and deregulation of foreign investments.

Kaifu noted the two nations are rivals as industrial exporters and said more Swedish Volvo cars are seen lately in his Aichi Prefecture, his constituency and home of Toyota Motor Corp.

He promised to convey the Swedish message to Japanese business leaders, the officials said.

In 1990, Japan's exports to Sweden totaled 1.95 billion dollars and its Swedish imports were 1.29 billion dollars. Automobiles topped each other's export list.

There have, however, just 42 cases of Japanese direct investment in Sweden, worth 25 million dollars, between 1951 and 1988, compared with Sweden's 123 million dollars worth of investment in Japan. Sweden's high labor costs and limited market size do not attract Japanese companies, according to Japanese industry sources.

Carlsson and Kaifu also conferred on the Soviet Union, and Kaifu briefed him on Soviet President Mikhail Gorbachev's Japan visit April 16-19.

Carlsson said conservatives are gaining greater strength in the Kremlin and he stressed that it was important the Soviet Union peacefully settle its problems with the Baltic republics, which are seeking independence. Sweden has close ties with those republics.

Carlsson will call on Emperor Akihito and Empress Michiko on Monday and attend a ceremony marking the completion of a new Swedish Embassy building in Tokyo Tuesday, before flying for home Friday.

Meets Emperor Akihito

OW1803035791 Tokyo KYODO in English 0314 GMT 18 Mar 91

[Text] Tokyo, March 18 KYODO—Swedish Prime Minister Ingvar Carlsson met Emperor Akihito and Empress Michiko on Monday at the Imperial Palace.

The meeting took place at the "Takenoma" Hall shortly after Carlsson and his wife arrived at the palace at around 10:40 AM.

In a meeting Sunday with Prime Minister Toshiki Kaifu, the Swedish prime minister urged Japan to join United Nations peacekeeping efforts, while also asking for increased Japanese investment in the Scandinavian kingdom.

Carlsson arrived in Tokyo on Saturday for a weeklong visit. He is scheduled to attend a ceremony on Tuesday marking the completion of a new Swedish Embassy building in Tokyo.

Carlsson's trip marks the first visit to Japan by a Swedish prime minister.

Remarks on UN Gulf Operations

OW1803112391 Tokyo KYODO in English 1051 GMT 18 Mar 91

[Text] Tokyo, March 18 KYODO—Swedish Prime Minister Ingvar Carlsson said Monday he would like to see Japan participate in U.N. peacekeeping operations in the Persian Gulf when they are launched.

Carlsson said progress toward peace in troubled regions such as southern Africa, Cambodia, and the Middle East has made it difficult for the U.N. to arrange for peacekeeping forces from countries that are acceptable to all nations involved in conflict.

The Swedish premier made the comments to reporters after meeting Emperor Akihito and Empress Michiko.

Sweden is prepared to respond to requests for both peacekeeping forces and humanitarian support in the Gulf area, Carlsson said, adding he hopes Japan would also get on board.

In a meeting with Prime Minister Toshiki Kaifu on Sunday, Carlsson offered to help Japan do the necessary groundwork in order to join U.N. peacekeeping forces.

Japan is currently in the midst of a debate about how to contribute to such U.N. operations since its Constitution bars the use of force to resolve international conflicts.

Parliamentarians are mulling ways to assist peacekeeping forces in noncombat areas such as transport and communications.

Carlsson, the first Swedish premier to pay an official visit to Japan, also called for greater cooperation with Tokyo in protecting the environment in developing countries, particularly those in Africa.

The Swedish leader also said he hopes to strengthen economic, cultural, and sports ties with Japan.

Sweden is eager to promote Japanese investment and would also like to cooperate in research and development, he said.

From 1951 to 1988 Japan invested 25 million dollars in Sweden, compared with Sweden's 123 million dollars worth of investment here.

Asked whether Sweden is prepared to recognize the governments of Baltic states following an overwhelming show of support for independence in recent local referendums, Carlsson said Sweden only recognizes governments that have total control of their territory.

"Unfortunately you cannot say that about the three Baltic republics, therefore Sweden has not yet recognized the governments in these three countries," he said.

Carlsson said he hopes that disagreements between Moscow and the governments of Latvia, Lithuania, and Estonia would be resolved through political dialogue.

On Tuesday Carlsson is to attend an opening ceremony for the Swedish Embassy building in central Tokyo. He also is slated to meet opposition leaders, business groups, and travel to the Kansai region in western Japan before leaving for home Friday.

Further on UN's Role

OW1903041391 Tokyo NHK General Television Network in Japanese 1308 GMT 18 Mar 91

[Interview with Ingvar Carlsson, Swedish prime minister, by anchorman Hatsuhisa Takashima; place and date not given; from the "NHK News 21" program—recorded, in English with Japanese subtitles; following processed from English; monitored in progress]

[Text] ... [Carlsson] The whole idea is that the United Nations should help to preserve peace and stability in the troubled spots or in the area where there is a risk of war or has been a war. If the United Nations asks Sweden to participate in such action, we think this is an obligation and all parties in Sweden supported, I would say more less totally, all people also individuals behind this policy.

[Takashima] And, are you planning to send your standby forces to the Gulf area in the wake of ending of this Gulf war?

[Carlsson] If the Security Council will ask us, we will definitely say 'yes' as we have done many time before. We have had totally 53,000 people in the UN uniform, you can say. So, we have people with a lot of experience and we train people to be ready to go with a short notice. Of course, we have all Swedish men are obliged to make their service in the Army or in the Navy or Air Force. And, out of these people, voluntarily, we can recruit those who would like to participate and we never had any problem to get people voluntarily to this peace keeping forces.

[Takashima] Is there any special reason within your country of Sweden that people support so enthusiastically the idea of peacekeeping force?

[Carlsson] Well, we have a long period of neutrality. We have been lucky enough not to be involved in wars ourselves for many many years, 175 years. I think it is very important that the secretary general in that case would have a number of countries who would say, okay, we are prepared to participate. It is not always that he can choose any country he likes. It must be a country which is trusted in the whole area.

[Takashima] Does this fact that you have to suffer casualties does not make any change of the people's full support you mentioned to the operations an effort?

[Carlsson] Totally, with 53,000 people involved in this, we have had very few people killed or even hurt. So, in case the United Nations had not have these peacekeeping forces, I am convinced that many more people would have been killed in those areas. If we built, will be able to build a stronger United Nations in the future, I think that more of that personnel will be needed. But, it must be remembered these are peecekeeping forces. They are not meant for fighting. They are meant for avoiding fighting. That is the whole idea.

[Takashima] You and Prime Minister Kaifu agreed yesterday to cooperate with each other in promoting this idea of peacekeeping operations by the United Nations. What specification are you envisaging regarding the cooperation between our two countries?

[Carlsson] We have already had two visits from Japan to Sweden to study our organization and to have planned future operations. And, now we have also had political dialogue on the highest level between our two countries.

[Takashima] You must have found that Japan has very distinct constitutional limitation of sending troops. But, still, would you think that Japan can contribute itself to the multinational effort under the umbrella of the United Nations?

[Carlsson] Of course, this is up to the Japanese Government and the Japanese parliament to decide upon this. I do not want to go into internal debate on that. I can only say that our experience is that this is important for the peace. It is important for the prestige and for the strength of the United Nations. And, it has been possible for Sweden as a neutral country with a long period of peace in our history to participate, and we have the full backing of our people and all parties in Sweden to carry on that policy.

GNP Growth Slows to Annual 2.1 Percent

OW1903143091 Tokyo KYODO in English 1015 GMT 19 Mar 91

[Text] Tokyo, March 19 KYODO—Japan's economic growth slowed to a crawl in the October-December quarter of 1990, dragged down by feeble personal consumption, the Economic Planning Agency (EPA) said Tuesday.

The nation's gross national product (GNP)—the sum of goods and services produced—grew in the fourth quarter by a puny 0.5 percent from the previous three months, or at an annualized rate of 2.1 percent, it said.

The October-December GNP totaled 409,539.2 billion yen.

The pace of expansion lost a considerable amount of thrust compared with the July-September period, when the growth was 1.0 percent, or 4.1 percent on an annual basis.

An economist at the agency attributed the latest GNP figure to tighter credit conditions, and said it does not presage any large- scale recession.

Domestic demand fell 0.1 percent from the previous quarter, posting the first such decline since the January-March period of 1986.

Domestic demand was sapped of its vigor by softer personal consumption and weaker housing investments, as well as thinner inventories, EPA officials said.

Shinyasu Hoshino, vice minister of the agency, said consumption was weaker than it should have been in the quarter, considering the robust growth of income.

Personal consumption will probably show an increase in the January-March quarter of the current year, although the outlook for the housing sector is unclear, he said.

The drop in domestic demand in the October-December period does not justify any major revision in the assessment of the nation's economic strength, unless data for the current quarter shows a slump, he said.

Personal consumption fell 0.3 percent in the fourth quarter, a decline that had accelerated from a revised 0.2 percent slip seen in the July-September period, underscoring the downtrend.

The housing sector shrank 1.6 percent, following a 5.9 percent rise in the previous three months, dampened mainly by declines in the construction of houses for rent.

But corporate capital spending retained its momentum, growing up 3.1 percent from the previous quarter after a lackluster 2.3 percent gain in the July-September period.

Hoshino, while acknowledging that higher interest rates are making a dent in the nation's economic growth, refused to throw his weight behind the growing argument among economists that a cut in the official discount rate is required to keep the Japanese economy on an expansionary path.

He said stronger indications of a slowdown are needed before any firm case is made establishing the need for a rate cut. Trends in corporate capital spending need to be particularly closely watched, he added.

Corporate spending on plant and facilities will remain on a firm footing in the short term, and the end of the Persian Gulf war could provide a good tonic to capital spending, Hoshino said.

Leaner inventories put a sizable crimp in economic growth in the October-December period, but that factor alone is not an indication of a serious recession, he said.

"In a real recession, inventories pile up and the growth still slows," he said.

Hoshino insisted the economy is still sailing along at "a cruising speed," which he put at an annual pace of around 3.8 percent—the government's prediction of the economic growth in fiscal 1991, which starts on April 1.

The external sector added 0.6 percent growth in the quarter. The contribution derived from strong exports, driven by autos and electronics, combined with a fall in imports.

The figures in the October-December period were gloomier than most economists predicted.

"The GNP figures are much more bearish than expected," said Masaru Takagi, chief economist at Fuji Research Institute Corp.

"The economy is apparently losing steam at a greater pace than we have believed," he said.

"Especially worrisome about the data is that they indicate the strength of domestic demand, which has been the principal driving force of the Japanese economy, has almost evaporated," Takagi said.

"The whole bunch of recent economic statistics, such as weak auto sales, soft sales at large-sized retail stores, and the slower growth of Bank of Japan [BOJ] note issue, clearly point to a major slowdown, if not a downright recession," he argued.

"The current long economic expansion is rapidly coming to an end, and is unlikely to beat the postwar record 57 months in September," he said.

He claimed achieving the government's projected real growth rate of 3.8 percent for the next fiscal year will be a herculean task, and he estimates the growth rate for the year at "slightly above 3 percent."

"We need a big easing of the current tight monetary policy by the BOJ to keep the drive," Takagi said.

Ministry Official on GNP Figures

OW2003121391 Tokyo KYODO in English 0956 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—A high-ranking official of the Finance Ministry said Wednesday weaker figures for Japan's 1990 fourth-quarter gross national product (GNP) have not affected the ministry's perception of the nation's economic health.

The official said the GNP figures, released on Tuesday, do not fully reflect the economic reality, attributing a sharp downturn in domestic demand, a leading pacer for the current economic boom, to an unusually warm winter and other seasonal factors.

The government reported that the country's GNP—the sum of goods and services produced—grew by an anemic 0.5 percent from the previous three months, or an annualized rate of 2.1 percent.

This represents a major setback from the previous quarter, when growth was 1.1 percent, or 4.6 percent on an annual basis.

Domestic demand posted the first decline in four and a half years, dropping 0.1 percent from the preceding quarter.

The official, who declined to be identified, also said the ministry has no plan to change its tight policy on bank lendings to property developers.

"The bubble has been shrinking, but has not yet disappeared," he said, referring to the speculation in the country's stock and property markets.

Since last April, the ministry has guided banks to hold down growth in their real estate-related loans to below the previous year's level.

Bank of Japan Governor on GNP

OW2003080191 Tokyo KYODO in English 0723 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno on Wednesday renewed his confidence in the Japanese economy despite several signs that the economic strength is tapering off amid buoyant interest rates.

Commenting on the 1990 fourth quarter gross national product (GNP) figures released Tuesday, the central bank chief said, "the figures are affected by temporary factors. Corporate spending remains strong. I feel the economy is still in good shape and see no need to change our judgment of its state."

The government reported that Japan's GNP—the sum of goods and services produced—grew a paltry 0.5 percent in the October- December quarter of 1990, or an annualized 2.1 percent.

This is half the growth rate recorded in the preceding three months—1.0 percent, or 4.1 percent on an annual basis.

Mieno told a regular press conference it is quite natural for the country's maturing economy, which has maintained a hefty 5 percent growth over the past four years, to lose momentum.

"The economy has expanded at too fast a pace. A modest slowdown is desirable for further sustained growth," he said.

Mieno also voiced concern over the rapid downturn of the yen against the U.S. dollar, which is feared to put added pressure on domestic prices, already destabilized by higher labor, transportation and other costs.

"Psychological factors work in favor of the dollar," he said, adding that the Group of Seven (G-7) industrial nations will cooperate to stem any excessive rise of the dollar.

The dollar has been a market pacer over the past few weeks based on the belief that the end of the Persian Gulf war will give a substantial thrust to the U.S. economy and mounting concern over the German economy and the political turmoil in the Soviet Union.

KYODO: Economists Do Not Foresee Recession

OW1903144391 Tokyo KYODO in English 1408 GMT 19 Mar 91

[Text] Tokyo, March 19 KYODO—Economists believe that while the latest figures on the nation's economic growth foreshadow a significant slowdown, there is no recession in the making.

The Economic Planning Agency [EPA] said Tuesday Japan's gross national product (GNP) grew a puny annualized 2.1 percent in the October-December period, down sharply from a 4.6 percent growth (revised) in the previous three months.

However, the economists point out that corporate capital spending remains on a firm uptrend and consumption is not so weak as the figures suggest.

Domestic demand will pick up "considerably" in the January-March quarter, says Takunori Kobayashi, an economist at the Daiwa Research Institute.

"The drop in private-sector consumption in the October-December period was due in large part to the warm weather, which dampened sales of seasonal products," Kobayashi maintained.

"As consumption picks up, crude oil prices fall and the sharp declines in overseas trips due to the Gulf crisis cut imports in the January-March period, the growth rate will perk up in the quarter," he said.

The EPA attributed the slowdown in the October-December period to tepid private-sector consumption, a soft housing growth, and leaner inventories.

Overall internal demand fell 0.1 percent from the previous quarter, the first such decline since the January-March period of 1986, according to the EPA.

But the reality of consumption is not so downbeat as the figure indicates, said Yukihiro Harada, general manager of the Economics Division of the Long-Term Credit Bank of Japan.

Harada, however, argued that the Japanese economy is on the threshold of a downhill slide.

It is undeniable that both the housing and consumption sectors are losing steam, he said.

And corporate capital spending, although still strong, will gradually taper off as the high interest rates start taking a toll on the corporate financial standings, he said.

He predicted the economy will hit the bottom in the latter half of fiscal 1991, when the annual growth rate will decline to around 3 percent.

The latest GNP figures, already bearish, would have been worse had it not been for a sizable dent in imports caused by a massive outflow of cash in gold investment markets, said Daiwa's Kobayashi.

The decline in imports served as a kicker for the GNP.

But the data are not a surefire pointer to a recession, even a mild one, Kobayashi said.

He said the economy will grow at around 3.8 percent in fiscal 1991, bearing out the government's projection.

Some economists paint a far grimmer picture of the Japanese economy.

"It's losing thrust at a much faster pace than generally believed," said Masaru Takagi, chief economist at Fuji Research Institute.

"The strength of domestic demand, the principal driving force for the Japanese economy, has almost evaporated," he said.

He said achieving the government projection of a 3.8 percent expansion in fiscal 1991 will be quite difficult.

Chamber of Commerce Chief on Discount Rate Cut

OW2003082791 Tokyo KYODO in English 0036 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—The chairman of the Japan Chamber of Commerce and Industry (JCCI) on Wednesday indirectly called on the monetary authorities to lower the official discount rate, now at 6 percent per annum, to help sustain the nation's economic expansion.

Speaking at a general meeting of the chamber, Rokuro Ishikawa said, "the domestic economy is now in a delicate stage. In order to ensure domestic demand-led, stable economic growth, the government needs to take appropriate, well-timed measures."

A downturn in economic activity became more evident than before in the October-December quarter last year as the nation's gross national product (GNP) grew by a marginal 0.5 percent from the previous quarter, according to official figures released by the Economic Planning Agency on Tuesday.

The JCCI meeting was attended by about 660 chairmen of its local chambers.

Referring to Japan's possible role in reconstructing Kuwait and other nations affected by the Persian Gulf war and securing peace in the Middle East, Ishikawa said, "Japan should provide not only money but personnel."

"If necessary," he said, "relevant laws, including those related to the Self-Defense Forces, need to be reviewed."

Ishikawa expressed hope that Soviet President Mikhail Gorbachev's visit to Japan, scheduled for mid-April, will help resolve the longstanding territorial dispute between the two nations.

The four northern islands of Kunashiri, Etorofu, the Habomai group, and Shikotan, all east of Hokkaido, Japan's northernmost landmass, were captured by the Soviets at the end of World War II.

Bank of Japan Governor on 'Economic Downturn'

OW1903052791 Tokyo KYODO in English 0343 GMT 19 Mar 91

[Text] Tokyo, March 19 KYODO—Bank of Japan [BOJ] Governor Yasushi Mieno said Tuesday that there is little chance of a sharp economic downturn because corporate capital investment and personal spending remain strong.

Speaking before the House of Councillors Budget Committee, the central bank chief also brushed aside the possibility of stagflation, or a recession coupled with high inflation.

"It should not happen if appropriate monetary policies are pursued with due consideration to the economic situation and price movements," Mieno said.

On future policy steering, Mieno said that the central bank "will take appropriate steps whenever necessary while watching prices, the economic situation, exchange rates, and money supply data as well."

In other remarks by government officials before the committee, Michio Ochi, director general of the Economic Planning Agency, said he is convinced that the government can achieve its economic growth target of 3.8 percent for fiscal 1991, starting April 1.

"It's possible to attain the 3.8 percent goal because personal spending remains firm and corporate investment in plant and equipment could grow at a pace of around 6.8 percent," he said.

Asked about the government's economic policy, Ochi said he wants to see statistics for March before making a judgment on the state of the economy.

No Change in Discount Rate

OW2003091591 Tokyo KYODO in English 0908 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—Bank of Japan [BOJ] Governor Yasushi Mieno said Wednesday he is not considering a change in the central bank's monetary policy despite calls by business leaders and politicians for an immediate cut of the official discount rate.

His comment at a regular press conference suggests he is aware of mounting pressure from business circles and the ruling Liberal Democratic Party (LDP) to cut the key rate soon, following a report of the nation's 1990 fourth quarter gross national product (GNP), which showed further evidence of an economic slowdown.

The GNP for the October-December quarter of last year rose only 0.5 percent from the previous three months, or 2.1 percent on an annual basis. The corresponding figures for the July-September quarter was up 1.0 percent, or 4.1 percent.

Mieno would not confirm whether the LDP made a formal request for a key rate cut. He reiterated the bank's intentions to keep a tight monetary policy, saying the current economic climate does not require a change in policy.

He pointed out that the Japanese economy is still doing relatively well in view of tight labor and product supplies. He said that worries over inflation persist, so the central bank must keep a firm grip on the economy.

Regarding the latest report on the nation's GNP and money supply, both showing considerable slowdowns in pace, Mieno said those were not surprising.

"As far as the figures are concerned, the slowing pace of the economy seems notable, but that was expected as a result of the tight monetary policy taken since May 1989," he said.

The contraction in the economic growth, combined with the record slowest growth in the February money supply of 5.4 percent, spurred calls for a cut in the official discount rate, now standing at 6.0 percent per annum.

"A slowdown in the economic growth is desirable for further sustained growth. But any steep slowdown is unlikely for a while," Mieno said.

Mieno stressed his continuing concern over inflation, saying that wholesale and consumer prices in recent months showed signs of easing but that these were only superficial.

The February wholesale prices of petroleum products leveled off from the previous month due largely to lower crude oil prices, he said.

But he said wholesale prices for other items were moving upward as a result of the tightening labor market and higher transportation costs.

"We need to keep a close eye on consumer prices in the wake of the dollar's advance against the yen," Mieno said.

"The recent weakness of the yen against the U.S. dollar in foreign exchange markets could also have a negative effect on domestic prices," he said.

Mieno attributed the yen's weakness to what he called psychological factors stemming from the relatively quick end to the Gulf war, and said that the Group of Seven (G-7) industrial nations would cooperate to help stabilize the dollar.

Further on Discount Rate

OW1903184491 Tokyo KYODO in English 1519 GMT 19 Mar 91

[Text] Tokyo, March 19 KYODO—Bank of Japan (BOJ) Governor Yashui Mieno said Tuesday concerns over inflation continue to outweigh calls by the business community for a cut in the nation's official discount rate.

The central bank chief told the House of Councillors Budget Committee that the yen's sharp downturn against the U.S. dollar, along with the labor and product shortages, might put added pressure on prices.

"The BOJ is watching how the yen's recent downswing will affect prices," he said. Although Mieno remains cautious about easing credit, he did not rule out a cut in the key lending rate, now at six percent per annum. "The central bank will take appropriate steps whenever necessary while watching prices, the economic situation, exchange rates, and money supply data," he said.

Mieno added that he did not expect a downturn in the economy, despite recent figures showing that business activity is tapering off.

The government reported Tuesday that Japan's economy grew 0.5 percent in the last quarter of 1990, or an annualized rate of 2.1 percent, down from 1.0 percent, or annualized 4.1 percent, for the preceding three months.

Although Mieno expressed confidence in corporate capital investment and personal spending, gross national product (GNP) figures show signs that domestic demand is softening.

In the October-December period, domestic demand fell 0.1 percent from the previous quarter, the first such decline since the January-March period in 1986, due to slack personal consumption, weaker housing investments and thinner inventories.

Mieno's optimism about the economy was shared by Michio Ochi, director general of the Economic Planning Agency (EPA), who said he was convinced that the government can achieve its economic growth target of 3.8 percent for fiscal 1991, starting April 1.

"It's possible to attain the 3.8 percent goal because personal equipment purchases could grow at a pace of around 6.8 percent," he said.

Jail for Violators of Commodity Funds Bill

OW1803154791 Tokyo KYODO in English 1412 GMT 18 Mar 91

[Text] Tokyo, March 18 KYODO—Violators of a planned Commodity Funds Trading Law will be imprisoned for a maximum period of three years under the new legislation designed to introduce the funds into Japan, government officials said Monday.

The officials said trading houses, trust banks, and other marketers of the commodity funds will be allowed to sell them to general investors. Under an earlier draft plan, the trust banks would have had a monopoly in marketing the funds.

Commodity funds are a type of trust fund in which the trustees invest money on behalf of investors in commodity futures markets, such as grain, precious metals, and crude oil futures.

With the fund's introduction planned within the year, a draft of the legislation bill has been jointly worked out by the Ministry of Finance, the Ministry of International Trade and Industry (MITI), and the Agriculture, Forestry, and Fisheries Ministry, for presentation to the current Diet session.

The new bill allows such funds to include financial vehicles other than commodity futures for less than 50 percent of the assets, but the government plans to keep the ratio well below that figure for the time being in order to distinguish the new funds from other trust funds.

For instance, mortgages and time deposits can account for up to 30 percent of commodity funds, while inclusion of government and other public bonds is limited to 15 percent.

When mortgages and public bonds are included, their combined portion can be no larger than 30 percent.

The bill also provides for protection of investors, allowing them to cancel their deals for a certain time after contracts are set. Fund marketers are required to give investors information about their investments.

MITI, U.S. Remain Split Over Chip Trade

OW2003121691 Tokyo KYODO in English 1057 GMT 20 Mar 91

[Text] Tokyo, March 20 KYODO—Japan and the United States remained split over a new bilateral accord on computer chip trade after a meeting in Tokyo on Wednesday, government officials said.

The two sides held the one-day meeting to hammer out a new agreement on boosting foreign chip makers' access to the Japanese market and prevent predatory pricing by Japanese makers to replace the current accord, which expires in July.

But Tokyo and Washington are still wide apart over the key issue of whether Japan should guarantee a 20 percent share of its domestic chip market to foreign suppliers, as the U.S. demands, officials of the Ministry of International Trade and Industry (MITI) said.

Japan rejected the reiterated U.S. request on the share, claiming the government should not intervene in the market.

The U.S. agreed to drop the provision in the current pact that requires MITI to monitor the exports of Japanese chip makers to help curb dumping, the MITI officials said.

But they still called for the continuation in the new pact of "data collection," which requires Japanese makers to keep data on production costs ready for submission and the so-called fast-track submission requirement for such data, the officials said.

Fast-track here means makers must submit the concerned data to the U.S. Department of Commerce in case of suspected dumping more quickly than in ordinary cases.

These requirements are included in the current agreement.

North Korea

Table Tennis Team Departs for Training in Japan

*SK2003110191 Pyongyang KCNA in English
0958 GMT 20 Mar 91*

[Text] Pyongyang March 20 (KCNA)—The North side's paddlers of the unified team of the North and the South of Korea to the 41st World Table Tennis Championships left here today.

Selected from the North side as players of the unified team are man paddlers Yi Kun-sang, Kim Song-hui, Choe Kyong-sop, Kim Kuk-chol, Kim Myong-chun and Yi Sung-il and woman paddlers Yi Pun-hui, Yu Sun-pok, Kim hye-yong, Han Hye-song and An Hui-suk who have recorded good results at international tournaments including the world championships.

Their physical and technical conditions are good and their spirit is high.

People's sportsman of the DPRK Hwang Kon-tong is the chief coach of the man players of the team. Chae Na-u and Cho Nam-pung of the North are respectively coaches of the man and woman paddlers.

They are veteran coaches who trained world's best-known paddlers including a world queen, people's and merited sportsmen of the DPRK.

Upon arrival in Japan the unified team will have joint exercises for nearly one month in Nagano, Nagaoka and Chiba before participating in the team events, men's and women's doubles, mixed doubles and individual matches of the championships.

The unified team is called "Koria" in Korean and "Korea" in English by agreement between the North and the South.

The song of the team is "Arirang" which was sung in Korea in the 1920's and the flag of the unified team is a blue Korean map on the white background.

Head of the unified team Kim Hyong-chin, vice-chairman of the Olympic Committee of the Democratic People's Republic of Korea, said that the participation of the inter-Korean unified team in the 41st World Table Tennis Championships is an auspicious event meaning reunification in sports field, vowing to meet the expectation of the entire fellow countrymen by leading the team in favour of the reconciliation between the North and the South and the reunification of the country.

World Circles View South's UN Entry Campaign

*SK2003060691 Pyongyang KCNA in English
0418 GMT 20 Mar 91*

[Text] Pyongyang March 20 (KCNA)—Political and public circles of different countries lift up voices denouncing the South Korean authorities' campaign for "unilateral U.N. membership" intended to legalize and freeze the country's division.

Ali Hassan [name as received], director of the education and youth department of the Nationalist Socialist Party of Syria in Lebanon, noted that the South Korean authorities' hasty moves for "unilateral entry into the U.N." is a separatist act to divide one nation into two.

Warning that if the North and South of Korea enter the U.N. separately or unilaterally, this will internationally legalize the existence of "two Koreas", he stated: It is not because the North and the South remain outside the U.N., but because of the aggressive and separatist policies pursued by the United States and the South Korean authorities that tension grows on the Korean peninsula.

The all India Indo-Korean Friendship Association and the Indian Committee for Supporting Korea's Reunification in a statement declared that if the South Korean authorities entered the U.N. unilaterally, it would seriously mar the dignity of the Korean people who have struggled bravely for decades against the division of the nation and for the reunification of Korea.

It will also render the situation more strained and aggravate confrontation on the Korean peninsula and endanger the peace in Asia and the rest of the world, the statement said.

The National Press Club of Nepal and the Afro-Asian People's Solidarity Committee of Nepal in a joint statement noted that the drive of the South Korean authorities for "unilateral U.N. membership" is a criminal act to create "two Koreas" and trenchantly condemned their moves.

Reportage on Team Spirit Exercises Continues

International Liaison Group Comments

*SK2003061291 Pyongyang KCNA in English
0434 GMT 20 Mar 91*

[Text] Pyongyang March 20 (KCNA)—The International Liaison Committee for Reunification and Peace of Korea in its bulletin on March 12 strongly urged the United States and the South Korean authorities to promptly stop the "Team Spirit 91" joint military exercises.

In an editorial titled "Intolerable Challenge to Peace and Reunification of the Korean Nation" the bulletin said the reckless military provocations by the United States and the South Korean authorities have resulted in suspending North-South high-level talks and screwing the situation of Korea and the rest of Asia to an extreme pitch.

Such moves of the U.S. imperialists and the South Korean authorities as deliberately laying obstacles to peace and reunification of Korea, while flagrantly violating the international laws and universally recognized principles, must be condemned, the editorial said, and continued:

The International Liaison Committee for Reunification and Peace of Korea expresses the hope that the governments, parliaments, political parties and social organizations of all countries and international organizations will take various measures supporting the Korean people's cause of national reunification such as bringing world-wide pressure to bear upon the United States and the South Korean authorities to stop the "Team Spirit 91" joint military exercises at once and discontinue obstructing Korean reunification.

Carried in the bulletin are an open letter of the international liaison committee to the governments, parliaments, political parties and social organizations of all countries and international organizations and news of measures taken in different countries against the "Team Spirit 91", of the Japanese visit of a delegation of the Workers' Party of Korea and of the inter-governmental talks for the normalization of DPRK-Japan diplomatic relations.

Activities for 18 Mar Reported

SK2003072891 Pyongyang KCNA in English 0439 GMT 20 Mar 91

[Text] Pyongyang March 20 (KCNA)—The U.S. imperialists on March 18 sent formations of nuclear-capable F-16 and F-15 fighter-bombers to the air above Sangdong and Kunni to stage a large-scale aerial and nuclear ground strike exercise together with fighter-bombers, assault planes and reconnaissance planes belonging to the U.S. Airforce in South Korea and the puppet airforce, according to military sources.

On the same day, they brought an E-3A early warning plane based in Kadena, Japan, to the air above the Military Demarcation Line area twice for the purpose of electronic espionage on the targets in the interior of the North.

They also sent RF-4, RF-5, RV-1 and other tactical reconnaissance planes repeatedly to the air above Yangpyong to take pictures of the targets in the forward area of the North.

The warplanes which made flights over South Korea for military exercises on the 18th totaled 830.

ROK Students Stage Protest

SK2003064291 Pyongyang KCNA in English 0423 GMT 20 Mar 91

[Text] Pyongyang March 20 (KCNA)—Students affiliated with the "Seoul District Federation of General Student Councils" staged a protest in front of the gate of the South Korea-U.S. "Combined Forces Command" on March 18 to hand it a letter demanding an end to the "Team Spirit" joint military exercises, according to a report.

Branding the "Team Spirit" as an action to freeze the division of the country, the letter demanded an immediate stop to the manoeuvres.

In Kwangju, Chonnam University students demonstrated that day in front of a unit of the U.S. imperialist aggression forces, urging the stoppage of the "Team Spirit."

They chanted anti-U.S. slogans, demanding that a letter of protest denouncing the "Team Spirit" be conveyed to the U.S. President.

U.S. Troop Pullout From ROK Said 'Essential'

SK2003055891 Pyongyang KCNA in English 0500 GMT 20 Mar 91

["U.S. Troop Pullout From South Korea Is Essential Requisite to Peace"—KCNA headline]

[Text] Pyongyang March 20 (KCNA)—The United States must take practical measures to withdraw its troops and nuclear weapons from South Korea and replace the Armistice Agreement by a peace agreement, demands NODONG SINMUN today in a signed article entitled "U.S. Troop Pullout Is Essential Requisite to Peace."

The article says:

Replacing the Armistice Agreement by a peace agreement is most important in relaxing the tension and ensuring peace on the Korean peninsula.

We defined the replacement of the Armistice Agreement by a peace agreement as a prerequisite to the creation of preconditions for peace on the Korean peninsula and proposed holding DPRK-U.S. talks.

But, the United States refuses to come out to DPRK-U.S. talks, fearful that if a peace agreement is signed, it would have no ground to remain in South Korea.

The U.S. claims that the Korean issue must be solved "between the North and the South" in an attempt to evade its responsibility as a direct party to the solution of the issue.

This is aimed at leaving the Korean issue unsettled for an indefinite period and perpetuating its military occupation of South Korea.

For peace on the Korean peninsula, the U.S. troops and nuclear weapons must be withdrawn from South Korea and the Korean peninsula be turned into a nuclear-free, peace zone.

The U.S. troops in South Korea are not peace-keeping forces but aggressor troops against the DPRK and other socialist countries in Asia.

What the U.S. seeks in Korea is to create "two Koreas," perpetuate the division of Korea, keep hold on South Korea as its colony and, with it as the springboard, invade the DPRK and other countries and the whole Asian continent.

To this end, the U.S. imperialists have massively built up their armed forces, especially nuclear forces in South Korea, turned South Korea into the biggest nuclear base in the Far East and launched this year the "Team Spirit 91" joint military maneuvers against the DPRK in a reckless war hysterics.

So long as the U.S. troops and nuclear weapons remain in South Korea, it is impossible to ensure a durable peace on the Korean peninsula.

Commentary Views No Tae-u Group's 'Offensive'

*SK2003060191 Pyongyang KCNA in English
0454 GMT 20 Mar 91*

["Repressive Campaign To Rig "Elections"—KCNA headline]

[Text] Pyongyang March 20 (KCNA)—NODONG SINMUN in a commentary today notes that the "local assembly elections" designed to lay a foothold for the long-term office of the No Tae-u group are being orchestrated on the scene of pandemonium of fascist suppression and fraud.

The No group has launched a pork-barrel offensive to buy "voters" with a staggering amount of money, while totally blocking freedom of speech, the press, assembly and demonstration with a voluble talk about "elections based on order."

They knocked into shape such repressive machines as "illegal campaign supervisory teams" and "full-time investigation teams for preventing election offences". They are resorting to threat and blackmail against opposition and independent candidates on the charge of "illegal acts" and to appeasement and bribery to make them "withdraw" their candidacy and, "worse still", making wholesale arrests everywhere under the pretext of "rounding up election offenders."

This is rather a political burlesque being staged under the name of "elections" and one more "power" robbery, the news analyst says, and goes on:

Moreover, to hold "elections" while staging the "Team Spirit 91" war maneuvers day and night with the mobilization of huge armed forces is an anti-democratic act of violence threatening and mocking the people.

The situation obtaining in South Korea at present reveals what the "fair elections," "democratic elections" much touted by the puppets are like.

To stage "local autonomy elections" under the colonial domination of the United States and the military fascist dictatorship of its stooges is a far cry to democratic politics.

Genuine democracy cannot be achieved as long as the No Tae-u fascist "regime" which is under the U.S. domination is left intact.

If true democratic elections, fair elections are to be enforced in South Korea, it is imperative to replace the military fascist "regime" of the No group by an independent democratic regime which represents the interests of the people of all social standings.

DLP 'Interference' in South's Elections Viewed

*SK2003063991 Pyongyang KCNA in English
0429 GMT 20 Mar 91*

[Text] Pyongyang March 20 (KCNA)—The No Tae-u ruling group is calling for "checking the illegal election campaign" and "dealing with unlawful acts as in the wartime." This is a camouflaged advertisement for preventing the legitimate election campaign of the opposition parties, dissidents and the forces for reunification and democracy and their returns at the point of the bayonet and laying foundations for a long-term office of the "Democratic Liberal Party."

The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] says this in Information No. 585 issued Tuesday denouncing the South Korean ruling group for intensifying its illegal interference in "elections" with the approach of "voting in small districts."

The information says:

The "DLP" is deeply involving itself in "elections" through official notices of various kinds and the "Security Planning Board" and the "secret affairs command" of the puppet army are openly meddling with "elections", while secretly examining into the tendency of opposition candidates registered for "elections in small districts" and forcing them to give up registration. This has created quite a stir.

This also clearly shows how desperately the authorities are trying to rig "elections" of the "DLP" clan with the mobilization of the government power under the pretext of "checking illegal election campaign."

It is an illegal and brigandish act that the rulers, while calling for "fair elections", close their eyes to the "DLP's" interference in "elections" and charge the opposition parties and dissidents with "illegal activities" and "offences," the information stresses.

Soviet Envoy's Reception Marks Accord Signing

*SK1903062991 Pyongyang KCNA in English
0451 GMT 19 Mar 91*

[Text] Pyongyang March 19 (KCNA)—Soviet Ambassador to Korea Aleksandr Kapto gave a reception at the embassy Monday evening on the 42nd anniversary of the signing of the agreement on economic and cultural cooperation between the Soviet Union and the DPRK.

Present on invitation were Minister of External Economic Affairs Chong Song-nam, Vice-Minister of Foreign Affairs Yi In-kyu, Vice-Minister of Foreign Trade Han Su-kil, Vice-Minister of Culture and Art Kim Chong-ho, Vice-Chairman of the Committee for Cultural Relations with Foreign Countries O Mun-han and other officials concerned.

Embassy officials and the visiting Soviet Government scientific and technical cooperation delegation and delegation of the Soviet-Korean Friendship Society were on hand.

Speeches were exchanged at the reception.

Joint Shipping Company With Soviets Inaugurated

SK1903060791 Pyongyang KCNA in English 0500 GMT 19 Mar 91

[Text] Pyongyang March 19 (KCNA)—The inaugural ceremony of the Korean-Soviet Shipping Company, Ltd. took place Monday.

The company jointly operated by the Korean East Sea Shipping Company and the Soviet Far East Shipping Company will carry cargo through the international sea route.

The ceremony was addressed by director of the Korean East Sea Shipping Company Yi Tuk-hyon and Soviet representative of marine transportation in the DPRK P. S. Sturov [as received].

The speakers said the commissioning of the company is a big stride ahead in developing shipping between Korea, the Soviet Far East and Southeast Asian countries.

They stressed that the company will help toward developing cooperation and friendly relations between shipping workers and peoples of Korea and the Soviet Union.

A reception was arranged upon the commissioning of the company.

Kim Tal-hyon Meets CSFR Trade Delegation

SK2003064391 Pyongyang KCNA in English 0442 GMT 20 Mar 91

[Text] Pyongyang March 20 (KCNA)—Vice-Premier and Minister of Foreign Trade Kim Tal-hyon Tuesday met and had a conversation with a government trade delegation of the Czech and Slovak Federative Republic headed by Vice-Minister of Foreign Trade Lubomir Martak.

Present on the occasion were Vice-minister of Foreign Trade Song Hui-chol and ambassador of the Czech and Slovak Federative Republic to Korea Zbynek Schee.

Trade Protocol Signed With CSFR Delegation

SK1903215891 Pyongyang KCNA in English 1506 GMT 19 Mar 91

[Text] Pyongyang March 19 (KCNA)—A 1991 protocol on mutual commodity delivery, service and payments between the Governments of the DPRK and the Czech and Slovak Federative Republic was signed here today.

It was signed by Vice-Minister of Foreign Trade Song Hui-chol and Vice-Minister of Foreign Trade of Czech and Slovakia Lubomix Martak.

Yang Hyong-sop Meets Indonesian Delegation

SK1403061691 Pyongyang KCNA in English 0512 GMT 14 Mar 91

[Text] Pyongyang March 14 (KCNA)—Yang Hyong-sop, chairman of the Supreme People's Assembly (SPA), met and had a friendly talk Wednesday at the Mansudae Assembly Hall with the visiting Indonesian parliamentary delegation headed by its Deputy Speaker Saiful Sulun when it paid a courtesy call on him.

Present there were vice-chairman of the SPA Paek In-chun and charge d'affaires ad interim of the Indonesian Embassy Karim Soedjarwo.

Noting that he was deeply moved by the rapid development of Korea and its brisk construction, he said they could know well about the reality of Korea which has brought about amazing changes, through visits to the tower of the chuche idea, the May Day Stadium, Pyongyang Metro, etc.

He said such development of Korea could be achieved because the Korean people turned out as one man in the spirit of Chollima, taking the chuche idea as the guideline for the building of the state and, especially, thanks to the wise leadership of the great leader His Excellency President Kim Il-song and the Workers' Party of Korea.

Indonesian MP's Laud 'Great Man' Kim Il-song

SK1903235691 Pyongyang KCNA in English 1507 GMT 19 Mar 91

["President Kim Il-song Is Man Who Is Possessed of Noble Virtues"—KCNA headline]

[Text] Pyongyang March 19 (KCNA)—Members of the Indonesian parliamentary delegation led by Deputy Speaker Saiful Sulun expressed their impressions of the DPRK in an interview with a KCNA reporter here Sunday.

Saiful Sulun said:

Friendship between the two countries which has been deepened in the efforts to consolidate their independence attained through struggle will further develop through the exchange of delegations and economic cooperation in the future.

I was deeply moved by the discipline, kindness and enthusiastic fighting spirit of the Korean people. I could keenly feel how ardently they are aspiring after national reunification.

During the visit I was greatly moved by the noble virtues of His Excellency President Kim Il-song.

He is a peerless patriot who devotes his all to the country and the people and a man, possessed of noble virtues, who boundlessly loves the people.

He, who left his native home in Mangyongdae with a noble aim to liberate the country at the age of 13 and embarked on the road of struggle, is a man of gifts as a leader of the nation.

We were deeply moved to hear a story that he put off the development of a gold mine so as to keep the beautiful landscape of Mt. Myohyang for the people.

Through visit to the Mangyongdae school children's palace I came to know well how much President Kim Il-song treasures and loves school children, and his warm love and care for the people wherever we went.

President Kim Il-song is, indeed, a great man.

Member of Parliament Siswadi said he was struck with admiration at the high fighting spirit of the Korean people led by His Excellency President Kim Il-song and at the reality of Korea seething with creative construction, which he could feel while seeing wide and clean roads, modern public buildings and great monumental edifices.

What marvelled me more is the fact that even armymen are out in construction, he said.

MP Markus Wauran said Korea has made great achievements not only in economy but also in the domain of culture. The Korean people have successfully preserved and developed their traditional cultural relics, he added.

MP Hassanudi said: All the achievements made by the Korean people are unthinkable apart from the wise leadership of His Excellency President Kim Il-song. He saw to it that wonderful school children's palaces were built for the children and a modern maternity hospital for women, and he is always directing his great attention to the improvement of the wellbeing of the people.

MP Yusufu Ghofar said that in Korea the Army and the people are defending and building the country as one. If all the countries do this way, a durable peace of the world will be achieved, he noted.

He wished good health and long life to President Kim Il-song for the rapid development of Korea and for national reunification, the cherished desire of the Korean people.

Kim Il-song Congratulates Namibian President

SK2003111391 Pyongyang KCNA in English 1021 GMT 20 Mar 91

[Text] Pyongyang March 20 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, on March 19 extended warm congratulations to Sam Nujoma, president of the South West Africa People's Organization and president of the Republic of Namibia, on the first anniversary of the independence of Namibia.

In the message he said since the country's independence, the Namibian people have gained many successes in their endeavours to promote national harmony, heal the aftermath of colonial rule and achieve economic self-sustenance.

Convinced that the friendly and cooperative relations between the two countries will develop day by day, he wished the Namibian people under the leadership of President Sam Nujoma greater success in the work to consolidate the country's independence and build a prosperous new Namibia.

Kim Il-song's Message From Syrian President

SK2003100991 Pyongyang Domestic Service in Korean 1200 GMT 15 Mar 91

[Text] The great leader Comrade Kim Il-song received a message from Hafiz al-Asad, president of the Syrian Arab Republic, in reply to his congratulatory message on the occasion of the 28th anniversary of the 8 March Syrian revolution.

The reply message reads as follows:

Pyongyang,

Your Excellency Kim Il-song, president of the DPRK,

I wholeheartedly thank Your Excellency for kindly sending a congratulatory message on the occasion of the 28th anniversary of the 8 March Syrian revolution.

I am convinced that the friendly and cooperative relations between our two countries will develop in the future. Availing myself of this opportunity, I wholeheartedly wish you long life and good health, and also wish your people constant success.

Hafiz al-Asad, president of the Syrian Arab Republic
12 March, 1991, Damascus

O Chin-u Greets New Malagasy Defense Minister

SK2003105991 Pyongyang KCNA in English 1024 GMT 20 Mar 91

[Text] Pyongyang March 20 (KCNA)—Vice Marshal of the Korean People's Army O Chin-u, minister of People's Armed Forces, sent a message of greetings to Major General Leon Ebarist Razafitombo [name as received] on his appointment as minister of national defence of Madagascar.

The message wishes him greater success in carrying out his new duty to increase the country's defence capability.

WPK Sends Greetings to Australian Labor Party

SK1203083591 Pyongyang Domestic Service in Korean 2100 GMT 9 Mar 91

[Congratulatory message from the Workers Party of Korea (WPK) Central Committee to the National Executive Committee of the Australian Labor Party (ALP) on the occasion of the centenary of the party's founding on 9 March—read by announcer]

[Text] Canberra

To the National Executive Committee of the ALP:

On the occasion of the centenary of the founding of the ALP, the WPK Central Committee sends warm [yolyolhan] congratulations to your party and all members of your party.

Availing ourselves of this opportunity, we hope that the friendship and cooperative relations between our two parties and the two peoples of our countries will expand and develop.

We sincerely wish your party greater success in your future work for Australia's prosperity.

The WPK Central Committee

9 March 1991, Pyongyang

Exhibition Construction's Progress Reported

SK1903152791 Pyongyang KCNA in English
1500 GMT 19 Mar 91

[Text] Pyongyang March 19 (KCNA)—The construction of the Three Revolutions Exhibition is progressing apace in Yonmot-tong, Pyongyang.

In one year or more after the ground breaking, the builders have nearly finished the frame assembling of the Light Industry Hall with a total floor space of more than 15,000 square metres and the Heavy Industry Hall 126 metres long, 96 metres wide and 24.1 metres high and four other large buildings.

The underground set-up project has entered the finishing stage.

A road 100 metres wide and 1,000 metres long has been built and the General Review Room, the Heavy Industry Hall, the New Technical Innovation Hall, the Agricultural Hall, the Light Industry Hall and the Electronic Industry Hall have taken shape, each in peculiar style.

The Tower of Three Revolutions is also being erected at a rapid pace.

The total floor space of the Three Revolutions Exhibition is 80,000 square metres.

Its design was worked out by the Pyongyang City Planning and Designing Office and the Pyongyang City Designing Office and the construction is undertaken by Korean People's Army soldiers.

Kusong's Economic Development, Production Noted

SK1403060391 Pyongyang KCNA in English
0458 GMT 14 May 91

[Text] Pyongyang March 14 (KCNA)—Kusong, an industrial city of Korea, is situated in the central part of North Pyongan Province.

Kusong was lifted to the status of city from county in 1967 with the rapid development of its industry and agriculture.

The central and local industries are developing in parallel in the city with the machine-building, textile and pharmaceutical industries taking the lead.

The April 3 factory holds a big share in the nation's production of machines.

Its production capacity in the early 1970's rose more than 10 times that at the time of its commissioning in 1959. The factory turned out 10,000 machine tools that year.

The workers and technicians of the factory now manufacture numerically-controlled and other special machine tools, automatic and semi-automatic machine tools and large-sized machine tools.

The city has the modernly-equipped Kusong Textile Mill. The weaving equipment has been replaced with high-speed, modern one and textile composition has undergone a rational change to produce fabrics of various colors and high-quality suit materials that cater to the tastes of the population.

The city has more than 20 local industrial factories, which turn out varieties of ironware, school things, plastic daily necessaries and wooden daily necessaries of more than 1,500 kinds.

Agricultural production including food grain and vegetable growing is rapidly rising.

Kusong, a leading cocoon producer of the province, annually produces several dozen tons of cocoons.

Development of Chollima Steel Complex Praised

SK1603132691 Pyongyang KCNA in English
1024 GMT 16 Mar 91

[Text] Pyongyang March 16 (KCNA)—A white poplar associated with a historical story stands in the compound of the Chollima Steel Complex which is situated on the bank of the River Taedong emptying into the West Sea of Korea.

The great leader President Kim Il-song called at this complex (the then Kangson Steel Works) on August 3, 1953, shortly after the ceasefire.

Labour Hero Chong Chan-chu, a head furnaceman, who was a furnaceman in those days, said looking back upon the day:

The great leader Comrade Kim Il-song, after making a round of the steel works, consulted us workers over the rehabilitation and reconstruction of the works under this white poplar which was half burnt in the U.S. imperialists' bombing.

Proposing to build the works on a bigger scale than the pre-war time so that larger quantities of steel could be produced, he indicated concrete direction and ways for this.

The workers there healed the war wounds in a short time and produced the first heat of molten iron from an electric hearth built by them in a matter of 40 days.

They chalked up the high rate of growth of 42 percent on a yearly average while carrying out the five-year plan starting in 1957.

Afterwards, Comrade Kim Il-song gave teachings to the complex more than 560 times and on-the-spot guidances to it on 45 occasions.

The steel works has turned into the nation's major steel producer, into a complex, in the course of scores of years together with the growth rings of the tree.

Steel output jumped every year. It climbed 2 times in 1970 as against the previous year, 15.5 times in 1987 as compared with 1956 and 12.3 percent above 1987 in 1990.

The complex now turns out in three days the same amount of steel it produced in the whole year of 1944, the year before liberation.

The material and technical equipment has been improved steadily.

The complex consists of the April 13 Steel Works, the Hungsan Mine, the July 8 Factory, the Nampo Electrode Factory, and several other industrial establishments and mines. There are also a steel shop and other shops producing alloy steel, shops producing rolled steel and goods of second-stage metal processing, a heat treatment shop, an oxygen shop and repair and maintenance shops.

The complex produces various rolled steel, 130 kinds of the goods of second-stage metal processing and 1,000 kinds of ironware.

The white poplar is still growing fresh and green as a witness of the complex developing constantly under the wise leadership of the great leader Comrade Kim Il-song.

'Big Efforts' To Develop Metal Industry Noted

SK1903052491 Pyongyang KCNA in English 0502 GMT 19 Mar 91

[Text] Pyongyang March 19 (KCNA)—The Democratic People's Republic of Korea is directing big efforts to the development of metal industry.

In the 80s many metal works including steel works No. 8 and the Pyongbuk Smeltery went into operation and the existing iron and steel works were reconstructed on an expansion basis.

As a result, the annual steel output of the country reached 7 million tons and the production of nonferrous metals increased remarkably.

The iron and steel works built before the liberation of the country were almost destroyed by the Japanese imperialists when they were defeated and even those rebuilt after the liberation were reduced to ashes in the three-year war (1950-1953) ignited by the U.S. imperialists.

The metal industry of Korea could not but start from scratch after the war.

The great leader President Kim Il-song, long ago, put forward a policy of building an independent and modern metal industry and indicated ways to carry it into effect.

With the rapid development of metal industry the total metal industrial output value in 1956 stood 14 times that of 1953, and 2.2 million tons of steel were produced in 1970.

The production of nonferrous metals including copper, nickel, lead and zinc increased markedly.

In the 1970s iron and steel works and smelteries were rebuilt on an extensive scale and the streamlining of production processes by industrial television and telemechanics was pressed forward.

A 1,500 cubic metres large furnace, a 3 million ton-capacity large continuous sintering furnace, a one million ton-capacity rolling branch mill were built at the Kim Chaek Iron and Steel Complex, a continuous sintering shop at the Hwanghae Iron and Steel Complex, steel shop No. 3 at the Songjin Steel Complex and the April 13 Iron Works at the Chollima Steel Complex, and smelteries in Munchon, Haeju, Nampo and other areas were furnished with up- to-date production processes.

Thus a steel production capacity of 4 million tons was created in 1976 and 1.7 times as much steel as was turned out in 1976 was produced in 1984.

The prospect of the metal industry of Korea is very high.

In 1993, the last year of the Third Seven-Year Plan, 10 million tons of steel and 1.7 million tons of nonferrous metals will be produced.

The metal industrial sector is concentrating efforts on the projects to additionally create several million ton production capacities of steel and consolidate the existing production foundations.

Medical Professor Receives Labor Hero Title

SK1403115291 Pyongyang Domestic Service in Korean 1200 GMT 13 Mar 91

[Text] The DPRK Central People's Committee [CPC] confers on Comrade Choe Il-nok, a section chief of Pyongyang Medical College, the title DPRK Labor Hero as well as the Gold Medal of Hammer and Sickle and the Medal of National Flag 1st Class for his great contribution to the education of the coming generation, and to the country's development of medical science, as well as for his outstanding exploits in treating patients by vigorously carrying out the struggle to implement our party's public health policy, upholding the party's leadership, and working in the public health sector for a long time.

Kim Il-song, president of the DPRK, 6 March 1991.

Chongsong University Medical Program Profiled

SK1103153491 Pyongyang KCNA in English 1519 GMT 11 Mar 91

[Text] Pyongyang March 11 (KCNA)—The Chongsong University (Hamhung University of Medicine) is actively waging a campaign of devotion to humanity.

The devotion campaign in medical assistance began in the early 1960s when the Chollima movement was in high tide in Korea. It is a mass movement to let medical workers treat the patients with boundless love and sincerity.

Thirty years ago a nine-year-old boy who was on the verge of death with three-degree burns on 48 percent of his skin was saved at the university.

The great leader President Kim Il-song congratulated the university's teachers and students in February 1961, highly appreciating this as an event of the era of the Workers's Party and a good deed adding lustre to the socialist system.

The boy saved by them is now working as a party official at a press organ.

During the three decades since it was highly praised by President Kim Il-song the university has done a lot of things in the educational work, scientific researches and treatment of patients.

The university has ascertained the normal measures and pathological measures of Koreans. It has carried out the chuche-based scientific researches to establish the standard of normal measures for appropriate regions by measuring 250,000 persons.

In this course more than one thousand valuable papers have been produced, among them "Researches Into the Physique and Form of Koreans" and "Researches Into the Development of Motor Nerve Functions of Children in Nursery Days". And it has published a 24-volume collection of basic materials for medical education for teaching and clinical treatment.

The university, in the course of the devotion campaign, made a girl who could not walk till her age of twelve walk freely on her feet and saved a patient who had got burns on 74 percent of the whole body with the grafting of 600 odd pieces of skin.

Nearly 200 disabled soldiers who could hardly move have become able to do light work and a number of patients have been saved from the death's jaws at the university.

More than 110 graduates of the university who had been educated in the spirit of devotion collectively volunteered to the Taehung Youth General Mining Enterprise and Komdok district as on-site medical workers in November last year.

This university, originally Hamhung University of Medicine, was renamed Chongsong University in October last year.

Services of Hamyong Dental Hospital Described

SK1203105291 Pyongyang KCNA in English
1023 GMT 12 Mar 91

[Text] Pyongyang March 12 (KCNA)—The South Hamgyong Provincial dental preventive hospital has won great popularity among people for its brisk therapeutic and prophylactic service.

According to Kang Chu-hun, president of the hospital, it has examined over one million people and taken preventive and treatment measures for dental diseases in the past period.

As many as 50,000 people have had their teeth plugged.

The hospital has now widely introduced into therapeutic and prophylactic services results of modern dental surgery requiring a high degree of technique such as a method of fixing jaw bone of a new form as well as fixing a set of false teeth and prosthetics.

Medical workers wrote many valuable papers on the basis of the results of researches in the course of medical activities. A collection of papers of dentistry, a collection of dental hygienic data etc. have been brought out in recent years, which prove to be conducive to the therapeutic and prophylactic services.

The hospital which is situated at the foot of Mt. Tonghung in the industrial city of Hamhung opened to public in 1981.

The four-storeyed hospital with more than 170 rooms has treatment rooms, sick-rooms, and operation rooms and photographing rooms.

The hospital is furnished with tens of thousands of medical appliances of over 600 kinds.

There are medical centers in all places where people live and work in Korea where all efforts are directed to the promotion people's health.

More than 100 new branch dental hospitals specialised in all treatment of dental diseases including dental internal and surgical services last year.

KCNA Review of 19 Mar Pyongyang Press

SK1903060291 Pyongyang KCNA in English
0520 GMT 19 Mar 91

[Press review]

[Text] Pyongyang March 19 (KCNA)—NODONG SINMUN today carries a message of greetings sent by Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea, to Didier Ratsiraka, general secretary of the Malagasy Vanguard of Revolution, on the occasion of the 15th anniversary of the founding of the vanguard.

Appearing in NODONG SINMUN and MINJU CHOSON are a letter to the great leader President Kim Il-song from the participants in the fifth national seminar of Venezuela on the chuche idea and independence of Latin America, an account of the seminar and a report delivered there.

Printed in NODONG SINMUN is a report that President Kim Il-song received a message from Akbar Hashemi-Rafsanjani, president of the Islamic Republic of Iran, in reply to his message of greetings on the 12th anniversary of the victorious Islamic revolution in Iran.

A letter came to President Kim Il-song from the participants in the inaugural ceremony of the Dominican Korean traditional medicine centre held in Santo Domingo, says the paper.

According to the paper, seminars on works of dear Comrade Kim Chong-il were held in different countries and the Burundi paper LE RENOUVEAU carried an article explaining his work "The Workers' Party of Korea Organizes and Guides All the Victories of Our People"

The paper says that a student of Korea University of South Korea who devoted his energy to studying works of Comrade Kim Chong-il strongly protested the suppression by the authorities.

The paper comes out with an article telling about the deep solicitude President Kim Il-song and Comrade Kim Chong-il have shown with a view to supplying the people with fresh vegetables all the year round.

The paper informs the readers that a feature film "Thirst for Sunlight" was released. The film gives a vivid depiction of the activities and life of Mr. Yo Un-hyong, a patriotic democratic figure who took an active part in the struggle to form a national united front in South Korea, upholding the line of building a new democratic Korea set forth by President Kim Il-song.

A MINJU CHOSON article deals with the wise guidance of the great leader to realize the comprehensive mechanization of the Anju District Coal Mining Complex.

NODONG SINMUN runs an article titled "To Deeply Grasp the Advantages of Socialism of Our Own Style Is Important Requirement for Loyalty to the Revolutionary Cause of Chuche" and MINJU CHOSON an article headlined "Our Socialism Is Promising Socialism Vigorously Advancing With Clear-Cut Goal and Prospect".

MINJU CHOSON editorially calls for planting trees in spring time.

Papers report about the commissioning of the Korean-Soviet Shipping Co. Ltd., the stepped up construction of the oxygen plant at the February 8 Vinalon Complex and sowing of rice seed on cold-beds at co-op farms.

The chairman of the people's front of workers, peasants and students of Peru met the DPRK ambassador to his country, says NODONG SINMUN.

Papers give an account of a reception at the Soviet Embassy here on the occasion of the 42nd anniversary of the signing of the agreement on economic and cultural cooperation between Korea and the Soviet Union.

Carried in the press are immediate fighting slogans issued by the Central Committee of the South Korean National Democratic Front in connection with the "local assembly elections" in South Korea.

Workers and students in Seoul and Taegu held rallies to denounce the Suso scandal and staged anti-"government" demos in demand of the resignation of No Tae-u, according to the press.

Chinese CHINA YOUTH daily recently published an article exposing and denouncing the bribery scandal of the South Korean ruling group, says the press.

NODONG SINMUN comments on criminal moves of the South Korean authorities to turn the forthcoming "local assembly elections" into a drama of their solo play.

In another commentary the paper condemns the U.S. imperialists' moves to convert South Korea into a hotbed of a nuclear war.

Given in the press is news that foreign public organisations issued statements in denunciation of the provocative "Team Spirit 91" joint military exercises and foreign publications carried articles exposing the dangerous character of the exercises.

The Chinese State Council and Central Military Commission issued a notice calling for holding fast to the work of defending the Army, treating the families of servicemen with courtesy, safeguarding the government and loving the people, says the press.

NODONG SINMUN reports about a strike of workers in public service in Germany and the decrease of production in Bulgaria.

The paper carries an article entitled "New Stage of the 'Star Wars' Program".

KCNA Review of 20 Mar Pyongyang Press

*SK2003062991 Pyongyang KCNA in English
0443 GMT 20 Mar 91*

[Press review]

[Text] Pyongyang March 20 (KCNA)—Papers here today carry a message of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to President Zine El Abidine Ben Ali on the national day of the Republic of Tunisia.

The great leader President Kim Il-song received a message of thanks from head of the Indonesian parliamentary delegation Saiful Sulun, its deputy speaker, leaving Korea, says NODONG SINMUN.

The paper reports that seminars on the New Year address of President Kim Il-song were held in different countries and that the magazine "Study of Kimilsungism" No. 54 was published in Japan.

It is reported in the press that seminars on works of dear Comrade Kim Chong-il were held in various countries.

An article of NODONG SINMUN says that President Kim Il-song has made constant trips for on-the-spot guidance to factories and rural villages throughout the country.

MINJU CHOSON deals with the guidance of Comrade Kim Chong-il in strengthening class education through the Sinchon Museum showing the brutalities committed by the U.S. imperialist aggressors during the Korean war.

Highlighted in NODONG SINMUN is news of steady increase of the production of ores at the Komdok mining complex.

Econews of the press includes reports about sowing seed rice on cold-beds at co-op farms and brisk spring transplantation of trees across the country.

The list of the names of the paddlers of the "Korea" unified team to the 41st World Table Tennis Championships was made public, says the press.

NODONG SINMUN reports that the DPRK ambassador to Malta paid a farewell call on the president and the prime minister of Malta.

According to the press, Princess Maha Chakri Sirindhorn of the Kingdom of Thailand will shortly pay a goodwill visit to the DPRK. The acting chairman of the Central Committee of the Red Cross society of the Democratic People's Republic of Korea sent a telephone message to the president of South Korean Red Cross on the matter of conveying letters addressed to relevant organisations of South Korea at the request of the chairmen of the Central Committees of the General Federation of the Unions of Literature and Arts of Korea and the Trade Union of Korean Educational and Cultural Workers and the secretary of the Central Committee of the Korean Democratic Women's Union, says the press.

NODONG SINMUN reports that the Secretariat of the Committee for the Peaceful Reunification of the Fatherland issued its information No. 585 denouncing the No Tae-u ruling group for desperately attempting to rig "winning" of the "Democratic Liberal Party" in the forthcoming "local assembly elections".

The paper carries a commentary condemning the criminal moves of the South Korean authorities to hold "elections" through irregularities and violence.

South Korean news columns of the press include reports that the presidents of the Party for Peace and Democracy and the Democratic Party protested the ban on opposition parties' "election" campaign and the authorities' suppression surrounding the "local assembly elections" was denounced by various circles.

An article of NODONG SINMUN says that the the U.S. troop pullout from South Korea is an essential requisite to peace on the Korean peninsula.

Echoed in the press are voices at home and abroad denouncing the "Team Spirit 91" joint military exercises. The press informs the readers that the exercises of the U.S. imperialists and South Korean puppets have entered the full-fledged phase.

According to the press, "temporary regulations of newspaper management" were published in China, the 18th meeting of the China-Britain joint liaison group took place in Beijing, a summit conference of the Indian Ocean Committee was held and Thailand and Laos signed a security agreement.

NODONG SINMUN introduces building of a new life in Egypt, Cameroon and Madagascar.

Papers observe the independence day of the Republic of Tunisia.

South Korea

DPRK-Cuba Contract for Missiles Export Alleged

SK2003033291 Seoul CHOSON ILBO in Korean 20 Mar 91 p 2

[Text] The authorities concerned said on 19 March that North Korea appears to have signed a contract with Cuba to export missiles and other antiair weapons.

The authorities also said that a North Korean military delegation, led by Chief of Staff Choe Kwang, signed a military cooperation agreement with Cuba on 10 March and visited a genetic-bioengineering institute, along with the commander in chief of the Cuban Antiaircraft Defense and Revolutionary Air Force, to facilitate exchange of chemical warfare technology.

The authorities believe that North Korea discussed the purchase of Cuban crude oil and grain during this trip, in view of the fact that when visiting Thailand last November, a North Korean military delegation led by North Korean Minister of People's Forces O Chin-u conducted negotiations to buy rice from Thailand.

North Softens Stand on 'Confederal System'

SK2003121391 Seoul HANGYORE SINMUN in Korean 20 Mar 91 p 2

[Correspondent Yi Kong-sun from Los Angeles]

[Text] Pak Yong-su, vice chairman of North Korea's Committee for Peaceful Reunification of the Fatherland, who is now in Los Angeles attending a series of symposia on Korea held at the University of California at Berkeley, the United States, said on 18 March that "the proposal for reunification through the founding of the democratic confederal republic of Koryo is undoubtedly the most reasonable proposal for reunification and the method to realize the proposal can be carried out step by step, on a phased basis, after discussions between the South and North." He also said that a temporary stationing of U.S. troops would be possible even after the founding of the confederal system if an agreement on the withdrawal of U.S. troops was signed in advance.

In a news conference held after a symposium on 18 March, Vice Chairman Pak said that "it was due to the fact that we have taken into consideration the experience we acquired in the course of holding South-North talks during the last year, and the proposals for reunification being discussed among the South Korean organizations that North Korea [pukchoson] has become more flexible about the proposal for the founding of a confederal system." He then said that the concrete substance of the "confederal system" will be finalized after consultation with the South side at talks.

Vice Chairman Pak also said that the name of the confederal system, Koryo, can also be changed through discussion.

Delegates from the South and the North who attended the "Symposia on Korea Week", begun on 9 March at the University of California at Berkeley, have concluded all the official programs on the afternoon of 17 March following a mass at Kim Tae-kon Catholic Church, and ended their schedule on the morning of 18 March with a news conference.

Report Shows Increase in DPRK Foreign Debt

SK1603013491 Seoul THE KOREA HERALD in English 16 Mar 91 p 8

[Text] North Korea saw its two-way trade decline to $4.791 billion in 1989, but its foreign debt rose to $6.78 billion, the Korea Institute for International Economic Policy (KIEP) said yesterday.

The KIEP under the umbrella of the Economic Planning Board said in a report on North Korea's economy that Pyongyang's snowballing foreign debts and its repayment problems would aggravate already weak North Korean economy.

The report estimated North Korea's two-way trade at about $4.5 billion last year.

The comparable figures were $4.147 billion in 1987 and $5.244 billion in 1988 in two-way trade, according to the report.

Foreign debts amounted to $4.78 billion in 1987 and $5.2 billion in 1988.

North Korea's exports stood at $370 million in 1970 and rose to $1.95 billion in 1989, showing an annual average increase of 9.1 percent during the past two decades.

The 1989 export figure, which compares with $2.033 billion in 1988, reflects its dampened production activities.

North Korea saw its imports increasing from $440 million in 1970 to $2.85 billion in 1989, marking an annual 10.3 percent hike.

Its 1987 imports amounted to $2.5 billion and upped to $3.211 billion in 1988.

The report cited North Korea's inability to repay its foreign debts resulting from its chronic trade deficits for the import setbacks in 1989.

North Korea's trade with the West accounted for 42 percent of the total two-way trade in 1974, then the comparable figure reduced to 28.3 percent in 1980 and some 15 percent in 1989, the report said.

Its trade with developing countries accounted for 2.4 percent in 1970, rapidly surged to 22 percent in 1978 and then dropped to 16.9 percent in 1980 and 9 percent in 1986 before recovering to 15.6 percent in 1989.

Its trade with socialist countries represented 79 percent of the total in 1970. The share, however, fell to 54.8 percent in 1980 then regained its share of around 70 percent since 1985 mainly thanks to North Korea's increased trade with the Soviet Union before standing at 69.3 percent in 1989, according to the report.

North Korea's major trading partners were the Soviet Union, China and Japan, with the three nation's combined trade accounting for over 80 percent of the total during the 1986-89 period.

Hong Kong ranked fourth in trade volume with North Korea as it represented 4.4 percent in 1989.

In 1989, the Soviet Union took 58.4 percent of the total trade, followed by China with 13.8 percent and Japan with 12.0 percent.

West Germany and Singapore came next with 2.5 percent each in 1989.

North Korea's trade with Eastern European countries, Cuba and Mongolia accounted for 7.7 percent in 1989, compared with 10.7 percent in 1985 and 12.8 percent in 1975.

DPRK Said To Seek Economic Ties With West

SK1903130191 Seoul CHOSON ILBO in Korean 19 Mar 91 p 19

[Article by reporter O Tae-chin from the feature program "News on North Korea": "'Dollar Diplomacy' Signals Economic Opening"]

[Text] North Korea's "southern diplomacy," put in operation last year, has recently begun spreading not only to Northeast Asia, Africa, and the Middle East, but also to the Western world.

North Korea's movement as such, whose goal was to counter the ROK's northern policy and to overcome international isolation, draws our attention because it now shows signs of moving toward economic opening. North Korea is looking for partners for economic cooperation all over the world, regardless of their ideology and alliance, while making clear its intention to earnestly seek membership to the international economic stage.

North Korea has sent 16 delegations to foreign countries and invited 11 foreign delegations to visit Pyongyang this year alone. The majority of these were for economic cooperation, except nine to 10 cases, which were of a diplomatic and military nature, with a few culture and sports delegations, including Foreign Minister Kim Yong-nam's visit to Afric[illegible] countries, Chief of the General Staff Choe Kwang's visit to Cuba, and party secretary Kim Yong-sun's visit to Japan and China.

Close scrutiny of a few major economic and diplomatic activities conducted by North Korea reveals that North Korea's external economic policy has changed a great deal. Vice Minister of North Korea's External Economic Affairs Kim Chong-u, who made a 20-day visit to Germany last January, agreed with the Economic Committee of the Union of German Industrialists on establishing a DPRK-Germany joint economic committee. During his visit to Thailand, Indonesia, and Malaysia, Prime Minister Yon Hyong-muk signed agreements with these countries on trade, joint venture, and investment, including import of foodstuffs to ease the food shortage.

The Iranian delegation, which was headed by Iranian Parliament Speaker Mehdi Karrubi, which went to Pyongyang on 27 February, and which stayed there for a week, was in a government economic delegation as it was composed of cabinet ministers, such as the minister of defense and logistics, the minister of commerce, the vice foreign minister, and the vice minister of road transportation in charge of housing and railway affairs. During the delegation's visit, North Korea managed to persuade the Iranians to extend the contract of annually importing 1 million tons of Iranian crude oil for another five years.

North Korea is reported to have agreed to build 100,000 units of apartment houses in Iran in exchange for the oil. Some observers believe that this is the beginning of North Korea's inroads into the Middle East's construction market with cheap labor. North Korea is also believed to have signed an agreement with Iran to export weapons, North Korea's largest source of foreign currency.

The ominous sign of North Korea's external economic policy is more conspicuous in the civilian sector's commercial activities than in the activity of the government delegations. With its first appearance in the International Tourism Fair held in Berlin from 2 through 7 March, North Korea has set out to lure tourists from the Western countries. Following the invitation sent to a Taiwanese economic and trade delegation last February, the first ever since the establishment of the Taiwanese Government, North Korea invited a group of businessmen from Hong Kong in early March, signaling a strong gesture of opening.

In particular, Chang Kon-il, vice president of Taesong Bank, North Korea's foreign exchange bank, surprised the Western reporters who had accompanied the Hong Kong businessmen by saying that "North Korea has taken steps to open up the closed-door economic policy, and soon will pay all the overdue debts we owe to foreign countries." He also said that his country would increase the purchase of mining equipment and other high-technology machinery and equipment from the West, and will pay for them with earnings from sales of ore and other natural resources in the international markets.

As if to prove this remark, North Korea has established a joint venture, "Konghwa Co.," with a Japan-residing Korean businessman who has connections with Chongnyon [General Association of Korean Residents in Japan] for the development of a graphite mine. The company, to be put into operation next month, is expected to produce about 50,000 tons of graphite a year in Hungsan Graphite Mine, South Hwanghae Province, the largest in North Korea and export about 40,000 tons to Japan and European countries, including Germany.

North Korea also agreed to a joint venture trading company in Tokyo to export to Japan about 400 tons of 14 items of rare ore, such as (?monazite), that are widely used in the high-technology industrial sectors. According to this agreement, North Korea is now busily preparing to send the first shipment by 1 May.

Although it tried to lure Western investment during the first open-door period in the beginning of the seventies and in 1984 when it legislated the joint venture laws, the so-called second open-door period, North Korea saw on both occasions its policy winding up in failure in about three to four years. Bad timing, including an oil crisis, is partly to blame, but it was "a window-style" attempt, with the rigid bureaucratic economic system left intact, that was to blame. These failures on two occasions have led North Korea to tighten its economic door to the outside world even more.

Nevertheless, North Korea's economic difficulties seem to have reached a breaking point where it can no longer keep the lid on. The barter trade that supported North Korea's external economic ties, from which North Korea benefited more than its trade partners, conducted on the basis of its relations of alliance with the Soviet Union and East European countries, is no longer available in the wake of the enormous changes in those countries. Joint venture plants already established with the Soviet Union are closing doors one after another. The Soviet paper IZVESTIYA has recently reported that about 30 plants, nearly half of the garment plants operated on raw materials supplied by the Soviet Union, have now stopped operating because the Soviet Union stopped supplying the raw materials.

North Korea, which as a rule has rationed beef to residents on Kim Chong-il's birthday, had to give pork to residents in some parts of the country. There are also reports that border cities like Namyang and Tomen, where civilians from North Korea and China crossed, have now been sealed since 1 March because of the rampant robberies and thefts.

Now, if it turns out to be true that North Korea has concluded that economic opening is the only way out for its survival, the question is: To what extent will it develop? There is a great possibility that North Korea, since it has suffered failures in the past, may try a broader and more active economic opening this time around.

Even so, the extent to which North Korea can attempt its economic opening will be severely restricted by North Korea's paramount task of having to defend its system. The broader an open-door it attempts, the greater danger to its system it poses. That is the extent to which North Korea can go in its open-door policy and its effect.

Joint N-S Table Tennis Team Uniforms Issued

SK2003094491 Seoul YONHAP in English 0754 GMT 20 Mar 91

[Text] Seoul, March 20 (OANA-YONHAP)—South and North Korea issued Wednesday the uniforms to be worn by members of the joint Korean table tennis team at the 41st World Table Tennis Championships next month in Japan.

Liaison officials met at the truce village of Panmunjom, where the South handed over 12 items, including the shirts and shorts to be worn while playing, training suits, shoes, socks and bags. The North supplied the jackets, pants and ties to be worn at ceremonies and other official functions.

South and North Korea agreed Feb. 12 to field the first joint team to an international meet since national division in 1945. They will also be sending an all-Korea team to the World Youth Soccer Championship in Portugal in June.

The North will later deliver the joint team flag, which depicts a sky-blue Korean peninsula on a white background. The South will hand over the music for the team song, which will be played instead of a national anthem, early next month.

DPRK 'Underground Organizations' Examined

SK2003064491 Seoul CHUGAN CHOSON in Korean 3 Mar 91 pp 2-5

[Article by the head of the North Korean department O Tae-chin: "The Secret Activities of North Korea's Grass-Roots Underground Organizations Amid Spider Web-like Surveillance"]

[Text] On 07 February 1991, North Korea Central News Agency [KCNA] reported "[We] have crushed the antiparty, antirevolutionary elements." This anomalous report renewed interest in the actions of the antiestablishment movement within North Korea. KCNA reported, "We have revealed the maneuvering of the antiparty, antirevolutionary factionalist elements and revisionist elements within the party and crushed these elements just in time." This report seemingly confirmed that there is serious discord within the North Korean establishment concerning Kim Chong-il's hereditary pattern. What is even more surprising is that the report itself runs counter to the North Korean media's own principle of propagandizing that all organizations within North Korea are perfect and loyal.

In spite of a series of changes within the Communist Bloc, to include reform measures in the Soviet Union and Eastern Europe and the unification of Germany, the general perception was that North Korea remained a "calm region" undisturbed by these changes. This apparent immunity from change is the result of the unprecedented brutal conditions in North Korea, including purges which uprooted all latent forms of opposition, absolute blockage of information about the outside world, a quasi-religious cult of personality, strict surveillance and control of all citizens which has continued for over forty years, and the degeneration of any criticism or resistance to the system as a result of all these measures.

However, some information is leaking out of North Korea concerning antiestablishment movements, shaking such conventional wisdom. Although there is no definitive confirmation concerning when or how the "maneuvers" or the "crushing" of these maneuvers reported by KCNA came about, the fact that North Korea has publicly recognized the existence of an anti-Kim Il-song movement is drawing attention.

Opposition Forces Within the Workers Party of Korea [WPK] Actually Exist, and, Although Unauthorized, They Are Organized

The fact that antiestablishment organizations formed among a rather high level of the leadership first became public in June 1990. This was revealed by Romanian dissident Professor Burukan [as published] who was visiting South Korea at the time. He indicated that he made contact with three individuals from the WPK Central Committee as well as three mid-level journalists in a third country, and assisted them with their antiestablishment activities. He revealed that while a significant number of opposition forces exist within the WPK, they are organized even if unauthorized.

One month after this was revealed, Ha Su-do, a former Chosen Soren society member who leads an anti-Kim Il-song organization in Japan, indicated during a news interview, "Military officials who have maintained close relations with the Soviets both through weapons supplies and the experience of studying in the Soviet Union will be the prime movers behind change in North Korea."

In September 1990, the head of the Soviet Consular Department in Korea [Loengrin] Yeremenko also noted during a policy discussion session hosted by the Democratic Liberal Party [DLP], "The number of individuals who do not follow the instructions of Kim Il-song is increasing, and military cadres are included among those people."

Japanese media at the same time quoted Western intelligence sources as saying "Even within the spider web-like surveillance system of North Korea, underground organizations have been secretly active at the grass-roots level." This source disclosed the following two cases of antiestablishment activities and the plotting of a coup d'etat which were revealed in confidential diplomatic documents of Japan.

In February 1990, a Mr. Suzuki (pseudonym, member of a trading company) was lodged at the 'K' hotel in Pyongyang. Outside the ground was covered from a heavy snowfall. That morning, he decided to run up and down the hotel stairs in place of jogging, his morning ritual. He unconsciously proceeded down to the basement where the boiler room was located. Someone was busily trying to hide themselves. The absconder dropped something in the confusion. It was a leaflet proclaiming, "Overthrow the Kim Il-song father-son regime."

In the fall of 1981, a Japanese cargo ship captain Tanaka (pseudonym) returned to his ship late one night at the Wonsan pier. He received a letter from a young stranger who had been wandering around the ship's hold. The young man asked the ship's captain to mail the letter upon his return to Japan. The contents of this letter which made its way to Japan's foreign minister eagerly requested "50 pistols with silencers and self-destructing bombs to assist North Korea's democratic opening." The date on which the Japanese Government received this letter was well past the designated contact date chosen by the "Liberal People's Democratic Party" [chayu-inmin minjudang].

There are three things which can be discerned from this letter. First, the scale of this underground organization is not small. Second, their goal lies in an all-out bloody revolution. Finally, they all have made the tragic resolution that should this organization fail, they will sacrifice their lives.

One Western diplomatic source in Tokyo explained that Staff Sergeant [SSgt] Min Hong-ku who defected to Japan after stowing away on the Fuji-san Vessel No. 18 in 1983, was a member of the Liberal People's Democratic Party. North Korea adamantly requested the return of SSgt Min while detaining two of this ship's crewmen until 1990 on the charges of being spies after the ship reentered Wonsan harbor. The reason behind this is presumed to be a result of the urgency North Korea felt in needing to expose this antiestablishment organization.

South Korean authorities have discussed six incidents of open opposition to the system which were detected by North Korean authorities. This includes only those that have become known to the outside world since 1987. Although these six examples, compared to the two provided above, do not involve such organized opposition, it is interesting that they were all attempted by primarily the intelligentsia.

—Students of prestigious universities in Pyongyang including Kim Il-song University, Kim Chaek Polytechnical Institute, and the Pyongyang Foreign Language College adopted a platform advocating the overthrow of the Kim Il-song paternalistic system, and also sent an anonymous written petition to Kim Chong-il. After their antiestablishment activities were exposed to the Ministry of National Defense [as published, kukga poui-pu], they were subsequently executed.

—In June 1988, an unnamed North Korean Air Force major organized a large-scale antiestablishment organization centered around college students, intellectuals, and mid-level bureaucrats. When it was exposed, most of the members were executed. However, thanks to the absolute secrecy the organization maintained, the leaders of the group—about 20 individuals—remain fugitives even now. According to North Korean students who recently defected, as well as foreigners who have visited North Korea, the organization was formed in 1986. In February 1989, two North Korean students studying at Odessa University in the Soviet Union, as well as officials of Kim Il-song University, were executed for ideological crimes in connection with this incident.

—In 1988, three sons of former landowners during the Japanese occupation tattooed anti-Kim Il-song slogans on their bodies and gathered together sixteen vagrants in Changpung-kun near Kaesong. They abducted children of WPK cadres and assassinated them, after which they attempted to flee to South Korea. They were captured and executed, however.

Sons of Party Cadres Even More Critical of "Extravagant, Debaucherous Kim Chong-il"

—In October 1988 at the Pyongyang College of Mechanics, a head lecturer sent an anonymous written petition to Kim Chong-il criticizing the system. After it was discovered, however, both he and his family disappeared.

—In May 1989, several students of the Philosophy Department of Kim Il-song University scattered anti-Kim Il-song leaflets and were arrested. After receiving a secret trial, all of them disappeared.

—In early July 1990, a placard criticizing the two-Kim hereditary system, and advocating the selection of the president through proper elections, was affixed to a bulletin board in the Punghung-ri area of Hamhung City. The culprit has not been detained, and the Ministry of Public Security is conducting an investigation of all citizens within the entire area.

North Korea categorizes such terror by propaganda or criticism of Kim Il-song under the title "number seven incident." Individuals guilty of such crimes are executed without the formality of a trial. Additionally, anti-Kim Il-song incidents are known as "number nine incidents." Under the provisions of number seven or number nine incidents, even individuals who inadvertently damage or deface pictures or statues of Kim Il-song or Kim Chong-il are subject to punishment.

An actual case occurred in 1972 when Kim Man-chol's younger brother Tong-chol (a 43-year-old painter at the time) was punished for sitting on a portion of Kim Il-song's face in the process of producing a large-sized portrait of Kim. In 1979, two second-grade girls at the Ponghung People's School (equivalent to an elementary school) in Hyesan City tore a textbook which carried a picture of Kim Il-song during a spat between the two. The instructor in charge was fired and forcefully sent to work on a farm.

In 1990 Kim Song-su, an upper-middle school student in the South Hamgyong Province area, broke the frame and glass of a portrait of Kim Il-song while messing around with his friends. According to the testimony of a defector, Kim Song-su was sentenced to nine years in prison for the crime of reactionary propaganda and agitation under sub-section 56 of section 15 of North Korea's Criminal Code.

This near-paranoid systematic crackdown shows that the dissatisfaction with the system among North Korean citizens is increasing day by day. It also appears that discontent is more targeted towards Kim Chong-il than towards Kim Il-song. One North Korean student who recently defected to Korea revealed that people were openly criticizing Kim Chong-il recently on the streets of Pyongyang.

"Having gone to Pyongyang during summer vacation in 1987, I saw that respect for Kim Il-song was still present among the people. However, the number of people cursing Kim Chong-il had increased.

"Previously, no one could even dream of criticizing Kim Chong- il, even among friends. When I got together with my friends who were attending college in Pyongyang, they continuously cursed Kim Chong-il, saying things like, 'Kim Chong-il is bad. He is extravagant and simply pursues his own pleasure and happiness, sleeping with different women every night. . . .' In particular, sons of party cadre more severely criticized Kim Chong-il as 'a bad person'."

These are the words of Chon Chol-u (age 25), a former North Korean student at East Germany's Dresden Engineering College who crossed the Berlin Wall when the East German border was opened in December 1989 and came to South Korea. The words of Nam Myong-chol (age 26), who came to South Korea in April 1990 after attending college in Leningrad, are similar.

"I remember that North Koreans lived well during the 1970's. One could easily purchase meat or candy at the store. However, ever since Kim Chong-il became party secretary in 1972, the situation has worsened. The people blame this on Kim Chong-il, who merely pushes campaigns such as the Seventy-Day, One-Hundred Day, and Two-Hundred Day Battles, building monuments but accomplishing little else. Kim Il-song had managed the country to some degree according to economic principles. Kim Chong-il, however, has made a mess of the nation's economy, never having suffered any hardships himself nor ever receiving proper training. Even the intelligentsia say that a reckless child is conducting politics."

After Being Recalled, All Overseas Students Dispersed to Factories Throughout the Country

In spite of the systematic isolation from information about the outside world, the increase in the number of people with a small yet objective recognition of both the drastic changes in the international political scene, as well as the status of North Korean society, is a disquieting factor for the system there. That is why North Korean authorities have withdrawn all students who had been studying overseas in the Soviet Union and Eastern Europe until last year. Following the Chinese-style practice of sending individuals to lesser and outer regions, these students have been dispersed to work in factories or enterprises in each of the regions of the country. There, they are placed under long-term surveillance while receiving intensive ideological education to rid them of their "mixed thoughts." However, trying to turn back the thoughts of these students who directly witnessed historical changes such as the Soviet reforms or the collapse of the Berlin Wall will be an impossible task.

Moreover, among high-level party and government cadres, even excluding those who have visited overseas directly, there is access to relatively objective outside news. One means is through the CHAMGO SOSIK [Reference News], an news service for internal party use only. Similar to the CHAMGO TONGSIN published by China's XINHUA TONGSIN, North Korea's KCNA produces the CHAMGO SOSIK daily as a separate volume from other news, and distributes it only to party cadres. This publication provides foreign press reporting related to North Korea in its original text with no deletions or revisions. No matter how ideologically armed party cadres may be, when they become aware of what is happening in the world and how the world views North Korea, they cannot help but have "different thoughts" deep inside about what they have been taught.

A Korean-American who visited North Korea for one month in the summer of 1990 revealed that the CHAMGO SOSIK is circulating among college students in dormitories and restaurants near colleges. He stated that children of party members are taking the CHAMGO SOSIK which comes to their fathers, reproducing it, and circulating it among themselves.

It is also known that since 1989, high-level party cadres are allowed to watch Seoul television. These examples support the fact that whether it be the testimony of Professor Burukan who stated that there are anti-Kim organizations within the WPK, or the KCNA report recognizing that there are "maneuvers by antiparty, antirevolutionary elements within the party," these are not simple statements which can be easily dismissed.

There are limits to the antiestablishment movement in North Korea, one being that it still is not a grass-roots movement. However, North Korea is currently in the midst of economic difficulties, including a food shortage which has the nation facing an imminent famine. It is certain that the antiestablishment trend can rapidly spread to the masses as long as no discernable policy is presented to solve these pressing economic problems.

Purpose of DPRK's Awards, Decorations Viewed

SK2003092891 Seoul KYONGHYANG SINMUN in Korean 12 Feb 91 p 22

[Article by the North Korean section of the KYONGHYANG SINMUN: "A 'Flood' of Various Awards To 'Quell Public Sentiment'"]

[Text] It has been quite some time since the phrase "medals all around" became popular in North Korea. The meaning of this phrase is simple—it is a stylish term with a humorous connotation that the authorities are trying to eliminate criticism of the North Korean system and the dire situation the country finds itself in by dispensing these medals representing various awards to virtually everyone.

The recognition paid to those involved in the completion of the West Sea Locks in 1986 is a good example of this. Among the 120,000 who worked in the project, those who received awards approached 60,000, becoming a matter of discussion among the North Korean people.

Granted the West Sea Locks project involved the mobilization of a large number of workers to make a "grand monumental edifice creation," using the North Korean expression. Even so, last year's awards amounted to a total of 1,524 as well.

This number, which includes both individuals and groups, is interesting in that it is some 21 percent less than 1989, the time of the "Pyongyang Festival." [1989 Summer Youth Festival]

The North Korean awards system, designed to stimulate the ambition of the people and to accelerate socialist competition, can be expressed in one term as a "carrot and stick." There are different varieties of "carrots." They are divided into various orders such as the Order of Kim Il-song, various titles such as "hero," awards, flags, medals, and badges. These are further subdivided into three levels and over 80 different fields.

Among the many types of decorations in North Korea, the title system is the most common. Up until 1973, titles were established by decree of the Standing Committee of the Supreme People's Assembly [SPA]. However, since 1973 titles have been awarded by decrees of the Central People's Committee.

Regardless of who is responsible for conferring the orders, the highest title awarded is the designation of "Hero of the Democratic People's Republic of Korea" [also referred to simply as "Hero of the Republic"]. This title has been awarded for the past fifty years.

In 1982, the year he turned seventy, North Korea's supreme leader Kim Il-song received the title of Hero of the DPRK as well as the Hero of the Republic Gold Star Medal and the Order of the National Flag First Class "in accordance with the unwavering intentions and desires of all citizens of Korea," according to North Korea's own claim.

At this time, the text of the award began, "On the awarding of the title of hero to Comrade Kim Il-song: Having saved our nation from the life-or-death crisis we faced by leading us to victory in the difficult revolution. . ." A total of approximately 3000 characters were used in a flourishing speech accompanying the award.

Following the "Hero of the Republic" is the "Hero of Labor." A "Hero of Labor" receives the Order of the National Flag First Class, the Hero of Labor Gold Medal (with a hammer and sickle on it), and a badge awarded by the Standing Committee of the SPA.

The next title is that of "People's" and one rank lower than that is "Merited." The People's title is awarded to eleven different professions, including actors and actresses, artists, broadcasters, athletes, designers, reporters, scientists, teachers, doctors, pharmacists, and technicians. [i.e, People's Artist, etc.]

The title of "Merited" is conferred to every conceivable profession ranging from actors and actresses and artists to film and publication distributors, salt miners, cooks, accountants, receptionists, and tractor drivers. There are also several titles which aren't readily comprehendable. These include "Merited Breeder," awarded to livestock breeders "for distinguished meritorious service in the development of the livestock industry," "Merited Forecaster" in the meteorological field, " and "Merited Bookkeeper" in the finance sector.

These titles are not limited only to individuals. There are also titles awarded to administrative organizations such as the Model Law-Abiding County and the Model Forest of Economic Value Enterprise. There are also those who are awarded "double" titles. Thus there is really no significance in even counting the number of titles.

Other titles include "International Women's Day Fifty Year Anniversary" and the "Tenth Anniversary of the Foundation of the Korean People's Army [KPA]." Existing organizations are also renamed to confer honor upon them. For example the Pyongyang Chungsong Kindergarten was renamed the International Women's Day Fifty Year Kindergarten. Additionally, within the agricultural collectives, titles of Guard Laureate, Honor Guard Class One and Two, and Vanguard Class One and Two are awarded. When one travels along the railways of North Korea, the titles of "Laureate" and "Honor Guard" can be seen written on train station signs.

There is also the "Hero of Female Agitators" [chonyo sondongwon yongung] title given to women who display absolute obedience to the orders of the party, while the title of "Little Young Constructionist" is awarded to children who do good deeds such as litter collection, etc. Whatever you can name, North Korea can mass produce a title for it.

There are thirteen different types of orders which, when lined up on one's chest, appear as though they are about to rip one's clothes due to their weight. The highest order awarded is the Order of Kim Il-song. Also included is the Order of the Chosen Soren Foundation Anniversary, established after the events in Eastern Europe to preclude a mass secession of members from the Chosen Soren organization.

Medals are used as rewards, and exceed thirteen in total number. They include the Kim Il-song Award Gold Medal, "Hero of the Republic" Gold Star Medal, Military Merit Medal, Meritorious Service Medal, Friendship Medal, and the Patriotic Award Medal.

As the number of these awards increased, it is natural that the number of people wearing row upon row of these orders and medals increased. Accordingly, in 1954 North Korean authorities decided on seven clauses outlining the order of display of the medals. "Orders and medals shall be worn according to their ranking on the left side of the chest, beginning on the right and going left in one row. Should all of the orders and medals not fit on the first row, a second row will be formed, beginning on the right hand side again. Major Orders and Medals of North Korea

Order of Kim Il-song and the Kim Il-song Award with Gold Medal
Hero of the Republic Gold Star Medal
Hero of the Republic Labor Gold Medal (Hammer and Sickle)
Order of the National Flag First, Second, and Third Class
Order of the Anniversary of the DPRK Foundation
Order of Freedom and Independence First and Second Class
Order of Labor
Order of the Anniversary of the KPA Foundation
Order of the Soldiers Honor First and Second Class

Military Merit Medal
Meritorious Service Medal
Meritorious Agricultural Service Medal
DPRK Foundation Medal
Fatherland Liberation Commemoration Medal
Fatherland Liberation War Campaign Medal

The Kim Il-song Award is one of the 11 awards handed out in North Korea. It was developed to commemorate Kim's sixtieth birthday. Recipients of the award are called "Kim Il-song Laureates" to encourage a sense of honor among those who receive the honor. The "SAMIL WOLGAN ["March First Monthly" a monthly journal printed in North Korea] Award" is the highest honor conferred upon individuals in the publishing or journalism fields. Other titles include the "People's Laureate" and the "Science Awardee."

Badges, unlike orders, are worn on the right side of the chest. There are at least seven types of badges used to stimulate a sense of glory, each including a 500 won [North Korean] stipend and officially announced in the newspaper. These badges include the Model Transportation Worker Honor Badge, the Industry Model Worker Honor Badge, the Chollima Honor Badge, the Soldiers Honor Badge, and the Three Revolutions Honor Badge. In addition to these, units which perform well in the Three Revolutions Project are awarded the Three Revolutions Red Flag and the Competitive Production Increase Campaign Banner which rotates between units.

Just because there are so many different types of awards does not necessarily mean that benefits are also proportionally granted to award recipients. As is well known, people who receive the orders, medals, and major awards listed in the table above receive numerous benefits such as security in their old age, advanced schooling for their children, promotions, appointment to government posts, and supplementary prizes. On the other hand, the rest of the people who receive awards need to be content merely with bragging about their glory without any special benefits.

There are also several different amounts of stipends awarded. Although all badge recipients receive 500 won (North Korean), among People's Award winners there is are large differences between various specialties. Recipients in the sciences receive 300,000 won, those in technical fields receive 200,000 won, while individuals in the culture and arts sector receive 150,000 won. Hwang Kon, the author of "Burning Island" [pultanun som] who recently passed away received the Kim Il-song Award in 1988. He was allowed to ride the street-car for free, a right given to recipients of the Meritorious Service Medal.

The Fatherland Unification Award, developed on the 45th anniversary of the August 15th liberation from Japanese colonial rule, shows that North Korea can continuously produce "carrots" to match the times. Not only is it difficult to predict how much further the North Korean award system will expand, there really is no need to do so.

Czech, Polish Observers Report on Team Spirit

SK1903135191 Seoul YONHAP in English 1301 GMT 19 Mar 91

[Text] Yongju, South Korea, March 19 (YONHAP)—Czech and Polish observers, who have watched the joint Korea-U.S. "Team Spirit" exercise for a week, said Tuesday they did not find any offensive element in the military drill.

"I could not find any aggressive or concentrative actions in the course of observing the exercise," Czech Air Force Maj. Peter Cikovsky said. "I surely will report to my government that the Team Spirit has no offensive character."

Col. Jan Bak of the Army General Staffs of Poland said he could tell the exercise was defensive considering that the drill is conducted at inland areas instead of border areas. "South Korea could make a big progress in its relations with North Korea by opening the exercise as it does now," he said.

The observers made the remarks while watching a landing and take-off exercise on an emergency airstrip prepared between Yongju and Punggi in north Kyongsang Province.

President No Visits Team Spirit Exercise Site

SK2003094591 Seoul YONHAP in English 0848 GMT 20 March 91

[Text] Seoul, March 20 (YONHAP)—President No Tae-u visited Wednesday the Korean-side command post of the joint Korea-U.S. Team Spirit exercise to encourage the Korean servicemen participating in the military drill.

After being briefed on the progress of the exercise at a field base camp near Ansong, Kyonggi Province, No said: "Someone says North Korea will not be able to commit itself to a military venture in the future judging by the results of the Gulf war, but we cannot rule out the possibility that Pyongyang might resort to a military venture to escape its extreme isolation and sense of defeat."

Foreign Minister on Opposing North-Japan Ties

SK1903012291 Seoul THE KOREA TIMES in English 19 Mar 91 p 2

[Text] South Korean Foreign Minister Yi Sang-ok yesterday renewed the government's firm opposition against Japan's normalization of diplomatic ties with North Korea prior to Pyongyang's acceptance of the international nuclear safeguards agreement and substantial progress in inter-Korean dialogue.

Speaking at a seminar held by "Honjonghoe," or a fraternity of former lawmakers, Foreign Minister Yi declared in clear-cut terms that substantial progress in inter-Korean dialogue and the North's signing and observance of the nuclear safeguards agreement with the International Atomic Energy Agency (IAEA) are "preconditions for the improvement of relations between Japan and North Korea."

North Korea did not commit itself to the nuclear safeguards agreement during the just-ended second round of talks in Tokyo for normalization of ties with Japan.

Yi said, "Our government hopes that the improvement of relations between Japan and North Korea will eventually contribute to stability and peace on the Korean peninsula as was manifested in the July 7 Declaration."

"Japan-North Korea relations are directly related to the security situation of the Korean peninsula and North Korea has shown no signs of a shift of its policy toward the South," noted Minister Yi.

He went on, "Our government has stressed that the Japanese government should promote the improvement of its relations with Pyongyang in parallel with progress in inter-Korean relations and the overall situation surrounding the peninsula.

"In particular, substantial progress in inter-Korean dialogue and North Korea's conclusion of the safeguards agreement with the IAEA are preconditions for the improvement of relations between Tokyo and Pyongyang," Minister Yi said.

Minister Yi added that the Japanese government is giving full consideration to the South Korean government position. "The government will continue further close consultations with Japan in this respect," said Yi.

Touching on the postwar settlement in the Gulf, Minister Yi said that South Korea will consider lending support for international efforts for peace and reconstruction in Middle East countries, while strengthening bilateral relations with individual countries there.

He said that the government will "carefully" study resuming diplomatic mission in Iraq only after consultations with the allies after the domestic situation there returns to normal. The South Korean embassy in Kuwait resumed duties on March 10.

High-Speed Ferry Routes to Japan To Begin

SK1103070991 Seoul YONHAP in English 0630 GMT 11 Mar 91

[Text] Seoul, March 11 (OANA-YONHAP)—High-speed ferries will be put on three routes between South Korea and Japan this year, the Korea Maritime and Port Administration (KMPA) said Monday.

Japan's Kyushu Railway Co. will use a jet foil on the Pusan-Hakata route, making a daily round-trip from March 25. Traveling at 83 kilometers an hour, it will slash the 15-hour time of car ferries to less than three hours, KMPA officials said.

Pukwan Ferry Co. of Korea and Kampu Ferry Co. of Japan, which jointly run car ferries on the Pusan-Simonoseki route, will add jet foils in the second half, they said.

Another jet foil service is to start this year on the new Masan-Izuhara route, run by a Korean firm called Korea Daema Ferry Co. and an unknown Japanese company.

Car ferry services on the Masan-Hakata and Donghae-Tsuruga routes, which have been planned for a long time, will open in the latter half of the year at the earliest or next year.

Establishment of new routes and additional services was made possible by a reciprocal principle informally agreed between the two nations under which each ferry joint venture should be on a 50-50 basis.

Currently, there are five routes between the two countries—Pusan-Simonoseki, Pusan-Osaka, Cheju-Nagasaki, Pusan-Hakata and Yosu-Hakata. The last two were opened last year.

'Chronic' Trade Deficit With Japan Grows

SK1603031491 Seoul YONHAP in English 0136 GMT 16 Mar 91

[Text] Seoul, March 16 (OANA-YONHAP)—South Korea's chronic trade imbalance with Japan will take a sharp turn for the worse with the lifting of restrictions on importing machinery from the neighboring country, the Economic Planning Board (EPB) projected Saturday.

A plan unveiled Thursday to boost manufacturers' international competitiveness calls for spending billions of dollars on factory automation and a reduction of up to 60 percent in tariffs on imports of facilities not made in Korea.

It specifically lifts restrictions on non-high-tech equipment imports from Japan and will add to Korea's deficit of 5.7 billion U.S. dollar deficit with Japan in machinery trade last year, EPB officials said.

Korea's trade deficit with Japan this year is projected at between 7 billion dollars and 8 billion dollars, nearly double the 3.93 billion dollars just three years ago, they said.

The government plans to request Japan to rectify the situation by promoting purchases of Korean goods and lowering tariffs, they said. Korean firms will also have to expand their exports to Japan in some key product lines such as textiles, steel, electric and electronic products, they said.

The imbalance was steady at 3.93 billion dollars in 1988 and 3.99 billion dollars in 1989, but leaped to 5.94 billion dollars last year. Almost all the deficit is blameable on machine imports. Last year, 5.7 billion dollars of the loss came from buying high-tech equipment.

This year started off with a resounding 689 million-dollar loss in January.

The situation is likely to worsen as the government launches a massive campaign to breathe life back into Korean manufacturing by improving and automating facilities, which will come mainly from Japan, according to EPB officials.

The government has already spent 2 trillion won (2.76 billion dollars) from a special facility fund and increased the regular fund 38 percent to 4.5 trillion won (6.2 billion dollars) to back the campaign.

"Machinery imports from Japan are expected to jump, and Japan should respond by promoting imports from Korea," an official said. "The government will be reviewing various measures and plans to officially deliver them to the Japanese Government through diplomatic channels."

Licenses to 4 Japanese Securities Firms Refused

OW1603093791 Tokyo KYODO in English 0909 GMT 16 Mar 91

[Text] Seoul, March 16 KYODO—The Finance Ministry on Saturday refused to license four Japanese and a French securities companies to do business in South Korea, saying their countries did not allow equal market access for South Korean companies. The ministry granted licenses to four U.S. and British firms.

The Japanese securities firms denied licenses were Japan's "big four"—Nomura, Yamaichi, Daiwa, and Nikko. Ministry officials said no South Korean securities companies are allowed to do business in Japan and France.

The officials also cited an expanding trade imbalance between Japan and South Korea and said there is no reason why South Korea should open its financial market to Japanese firms.

The four Japanese companies now have offices in Seoul. They had applied to the Finance Ministry for approval to open their branches ahead of the liberalization of South Korea's financial market.

Foreign Securities Firms Allowed To Open

SK1603031391 Seoul YONHAP in English 0053 GMT 16 Mar 91

[Text] Seoul, March 16 (YONHAP)—The Finance Ministry has sent welcome letters to Citicorp Scrimgeour Vickers and Merrill Lynch of the United States, and to Baring Brothers and Jardine Fleming of Britain, authorizing them to open branches in Seoul.

Of nine applications, the Ministry selected the four securities companies based on reciprocity, their contribution to the Korean securities market, Korea's economic conditions, and the trade imbalance with their home nations.

It is unlikely that Nomura, Yamaichi, Daiwa and Nikko of Japan or W.I. Carr of France will get permission for the time being.

PRC Official To Attend Seoul ESCAP Meeting

SK1603021091 Seoul THE KOREA HERALD in English 16 Mar 91 p 1

[Text] Chinese Vice Foreign Minister Liu Huaqiu will visit Seoul early next month to attend a meeting of the U.N. Economic and Social Commission for Asia and the Pacific (ESCAP), Foreign Minister Yi Sang-ok said yesterday.

Liu will be the highest-ranking Chinese official ever to visit Seoul since the end of World War II. It was not known whether Liu will meet top Korean officials other than the foreign minister.

Chinese officials have to date avoided official contact with South Korean officials.

China, a close ally of Communist North Korea, has not yet opened diplomatic relations with Seoul. Seoul recently set up a trade representative office in Beijing. Beijing is also expected to open a trade office here soon. Both countries have been engaged in a great deal of trade.

Also to attend the April 1-10 ESCAP general meeting will be the vice foreign ministers of Vietnam and Laos, both of which lack diplomatic relations with Korea, Minister Yi said.

Yi said some 1,000 officials from 48 ESCAP member nations will attend the session.

They include Vice Premier of Mongolia C. Purevdorj, Indonesian Foreign Minister Ali Alatas, Indian Trade Minister Subramanian Awamy, Pakistani Finance Minister Sartaz Aziz, Sri Lankan Foreign Minister H. Herath and Soviet Vice Foreign Minister A. Rogachev.

The participants will adopt a "Seoul declaration" outlining future areas of cooperation in the Asia-Pacific region, and declare "general principles of action" on specific cooperative measures, Minister Yi said.

He said the Korean Embassy in Bangkok recently reported to Seoul that a North Korean representative in Bangkok called on ESCAP headquarters in that city March 7 and showed interest in joining the group.

The North Korean also inquired with ESCAP officials about the procedures for joining the only U.N. organization in the Asia-Pacific region, he said.

"We would welcome and would fully cooperate with a North Korean bid to join the ESCAP," Yi said. The minister noted that it is not clear, however, whether North Korea plans to formally submit a membership application before the ESCAP session in Seoul, or is simply showing interest.

"The government believes Pyongyang's entry is desirable and hopes it will be realized soon," he said.

PRC Trade Officials Arrive, To Open Office

SK1903095591 Seoul YONHAP in English 0852 GMT 19 Mar 91

[Text] Seoul, March 19 (YONHAP)—Pei Zaiyi [as received], vice representative of the Chinese Trade Representative Office in Seoul, and six other officials arrived in Seoul Tuesday to finish preparations for opening the office, officials at the Foreign Ministry said.

Pei, a minister at the Chinese Embassy in New Delhi before being reassigned to Seoul, will join a 10-member advance team that arrived Feb. 28 to prepare for the trade office's formal opening expected late in May, the officials said.

Xu Dayou, head of the trade office, is due to arrive March 28.

The Chinese office will open after the 47th General Assembly of the Economic and Social Council of Asia-Pacific (ESCAP) in April. China is to participate in the ESCAP conference.

Korea's Trade Representative Office in Beijing opened Jan. 30.

Role in Northeast Asia Economic Plan Viewed

SK2003030091 Seoul THE KOREA HERALD in English 20 Mar 91 p 8

[Editorial: "Tumen Basin Development"]

[Text] The role of South Korea in the proposed Tumen valley special economic zone and the development of the Gulf of Zhili (Bo Hai) is being scrutinized as part of its growing northern policy. It is also being discussed in connection with a broader concept of Northeast Asian-rim economic sphere as suggested by Soviet President Mikhail Gorbachev on some occasions.

Tentative overtures call for a special economic zone linking Chongjin (North Korea), Yangji (China) and Nakhodka (the USSR) or linking Ungjin and Hunchun with another Soviet port city nearby. Either plan is conceived to become a free industrial estate patterned after the Chinese model which has already functioned for some time.

Earlier North Korea indicated its interest in attracting Soviet and Chinese investment in a special economic zone to be established on Hapto islet in the Tumen River estuary. The Gulf of Zhili project is being promoted by Beijing with the likely participation of Moscow and Pyongyang. How much room there is for Seoul's involvement awaits to be seen.

A trilateral or quadrilateral collaboration in the development of the resource-rich and geographically meaningful area(s) of the Far Eastern seaboard of mainland Asia is forward-looking. In the course of its evolution, access is bound to be given to more interested countries for broader internationalization.

Besides the economic headway to be made, such an arrangement should serve to induce early opening and liberalization of the isolationist North Korea in political as well as economic terms. Our modest and cautious participation in the emerging schemes could prove to be a pragmatic and gainful initial outreach toward the north.

USSR Researcher Analyzes Korean 'Situation'

SK1903012091 Seoul THE KOREA HERALD in English 19 Mar 91 pp 1, 6

[Article for YONHAP News Agency by A. Bogaturov Senior Researcher at the Far Eastern Policy division of the Soviet Institute for U.S. and Canadian Studies]

[Text] Dynamic cooperation in Europe over recent months makes one think once again whether it is possible to reproduce it in Asia and the Pacific, or at least in its northeastern part.

There were two major factors behind the Helsinki process—first, detente in the relationship between great powers, above all between the USSR and the United States, and second, partial settlement of the German problem following the conclusion of agreements between West Germany, the USSR and Poland which guaranteed the inviolability of the borders and excluded interference in the GDR's (East Germany's) internal affairs.

All this helped normalize the situation in Europe.

For all the differences, the Korean problem resembles the German one in that without its all-round solution, genuine stabilization in the region is impossible.

Besides that, divided Korea, like Germany which remained divided till 1990, still symbolizes the injustice done by the victorious powers in their attempt to secure their leading roles in the postwar world order.

The situation is gradually changing.

Since the mid-1980s, the Soviet Union has been reviewing its foreign-policy principles.

In line with them, it has made serious changes in its Far Eastern policy.

In relation to the Korean problem, it manifests itself in the refusal to view the situation through the prism of "reactionary anti-Soviet tripartite Washington-Tokyo-Seoul alliance."

Importantly, the Soviet foreign-policy experts and leading analysts have quickly changed over from irreconcilable opposition to the South Korean regime to advocacy of better relations with the Republic of Korea.

This fact shows that even the most orthodox Soviet ideologists have realized the need to resolutely change the Soviet Union's Korean policy in favor of pragmatism and [to be] thoroughly calculated and analyzed.

I would describe it as a good experiment to determine real and not illusory national interest of the USSR in the Pacific.

There is every reason to believe that the unprecedented development of relations between Moscow and Seoul, which can be judged by two summits in just six months, guarantees that the situation in the region as a whole will also change for the better.

The external conditions have never been so favorable for the beginning of the unification in Korea.

It looks like the USSR and the United States have realized the importance of coordinating bilateral and multilateral efforts for ensuring military-political stability in the Korean Peninsula, which is a must for normal negotiating process between the two Korean states.

This is particularly important now that in the wake of the Gulf war, Moscow and Washington have once again been confronted with the necessity to critically assess their roles in spurring the arms race in different regions, including Korea.

The Soviet Union and the United States must agree to freeze their arms supplies to the two Korean states because delay in this matter may lead to unpredictable consequences given the current level of confrontation between them.

It is the duty of the Soviet and American leaders to show courage and flexibility and firmly say this to their allies in the Korean Peninsula.

Such a decision taken by both sides would not upset the inter-Korean military balance but, on the contrary, enhance the feeling of responsibility in both Korean states.

Another possible turn Soviet-American cooperation may take is the involvement of both Korean states in international structures in order to prevent the production and proliferation of all weapons of mass destruction, first of all nuclear weapons.

One could also think of using the United Nations for exercising control over the supplies of armaments and dangerous know-how to Korea as a potential conflict zone.

If Korea joins the United Nations this would help stabilize the military-political situation in the region.

However, external efforts are not enough to solve the Korean problem. Internal guarantees are needed.

Talks between the two Korean states could become one of such guarantees on the condition that the political situation in the North and in the South remains stable.

USSR Reportedly Softens Attitude Toward Seoul

SK2003121791 Seoul CHUNGANG ILBO in Korean 20 Mar 91 p 1

[Text] The Soviet Union, breaking away from its past diplomatic attitude of supporting only North Korea's stand, including the call for denuclearizing the Korean peninsula and the withdrawal of U.S. troops from South Korea, is reported to have changed the basic tenor of its policy, recognizing the military realities on the Korean peninsula, and adopting a relatively balanced attitude toward the South and the North.

As a result, the Soviet Union is reported to have decided to inform our government of its supply of weapons to North Korea in advance and afterward, with ample explanation, abandoning the old way of indirectly explaining to our government such things as sales of weapons to North Korea through the United States.

On 20 March a high-ranking government official said: Attaching importance to the fact that Soviet personages who came to Korea late last year and early this year, including Soviet Deputy Premier Maslyukov, have shocked our people with their remarks on the denuclearization of the Korean peninsula and plans for continuing sales of defensive weapons to North Korea, our government has tried to find out through various channels, such as the Soviet Embassy in Korea and our officials' visit to the USSR, what the Soviet officials meant in their remarks as such. After rounds of contacts, the Soviet side has agreed to stay in step with the ROK Government and to closely cooperate with the ROK in its policy toward North Korea and the Korean peninsula, softening its basic stand on such things as the denuclearization of the Korean peninsula and the withdrawal of U.S. troops from the ROK.

This official continued: It is true that the Soviet Union stood on the side of North Korea concerning the military realities on the Korean peninsula. During a meeting between foreign ministers of the two countries in Moscow last year, the Soviet Union pressed Korea to explain the presence of nuclear weapons on the Korean peninsula, arguing that it is unrealistic if those nuclear weapons are trained on the Soviet Union, and that it is antinational if they are directed at North Korea. The government has made tireless efforts to correct such views held by the Soviet Union, and has recently confirmed that the Soviet Union has clearly narrowed differences of opinion on the fact that the changed international environment following the end of the cold war, along with the substantial reduction of tension between the South and the North, are directly related to the military problems on the Korean peninsula.

This official added: The Soviet Union, however, seems to have a firm conviction that North Korea would not be able to launch an invasion of the South on its own, without military assistance from them, including the purchase of Soviet weapons. Our side explained to the Soviet Union the conspicuous imbalance of military power between the North and South, pointing out the special situation by which North Korea is about to witness change of leaders, and persuaded the Soviet Union to consult with Korea, both in advance and afterward, over such matters as military assistance, including the sales of weapons to North Korea, in order to ease tension on the Korean peninsula, while trying to make it realize that Soviet influence on the Korean peninsula was on the decline. In the end, we have managed to extract an affirmative answer from the Soviet Union.

This high-ranking government official said that our side had made it clear to the Soviet side that if they show understanding about the military realities on the Korean peninsula to a degree that satisfies us, and if such an understanding is reflected in the formulation of policy, then the ROK will agree to the Soviet proposal for establishing a multinational security cooperative body in Northeast Asia, and will cooperate with the Soviet Union in forming a security body.

Government To Send Factfinding Group to Gulf

SK2003100091 Seoul YONHAP in English 0903 GMT 20 Mar 91

[Text] Seoul, March 20 (OANA-YONHAP)—South Korea will send a group of government officials and businessmen to the Gulf in mid-April to probe the possibility of participating in postwar rebuilding projects and boost exports.

The Foreign Ministry's Middle East task force, chaired by Vice Foreign Minister Yu Chong-ha, met Wednesday afternoon to broadly discuss ways to materialize these plans through economic and diplomatic channels, and review the report of a fact-finding team headed by Assistant Foreign Minister for Economic Affairs Yi Ki-chu that visited the region last month.

The officials discussed whether it was necessary to send special envoys to the Gulf nations.

"The fact-finding team assessed the odds as not necessarily against Korea, as we feared at first. It rather depends on the competitiveness of the companies and their will to actively participate in the rebuilding projects," said a team member.

Korean companies would be well advised not to compete with one another and to advance into Saudi Arabia, Kuwait and Egypt in the form of joint ventures, which would be a long-term plus, he said.

Government To Increase Gulf Aid by $70 Million

SK2003122791 Seoul YONHAP in English 1205 GMT 20 Mar 91

[Text] Seoul, March 20 (YONHAP)—The South Korean Government decided Wednesday to increase the portion of money in the additional Gulf aid program from the originally planned 60 million U.S. dollars to 130 million dollars.

Of the cash contribution, 100 million dollars will be offered to the United States and the remaining 30 million dollars to Britain.

The readjustment of the second-phase Gulf aid program, which was pledged in late January in assistance to the U.S.-led allied Gulf forces but has not yet been fully paid, was decided at a meeting of relevant cabinet ministers, who discussed a U.S. demand that part of the planned material assistance be made in money, informed sources said.

The ministers also decided to pay 60 million dollars of the pledged cash contribution to the United States within this month.

The revised 280 million-dollar additional assistance breaks down also to 100 million dollars in transportation support and 50 million dollars in material support.

New Zealand Agrees To Remove Customs Duties

SK1203012791 Seoul THE KOREA TIMES in English 12 Mar 91 p 2

[Text] New Zealand will mostly remove the customs duties presently levied on imports of Korean-made electronics home appliances. It will also reduce the tariff rates imposed on Korean-made commercial vehicles by 5 percentage points.

Philip Burdon, New Zealand's trade negotiations minister, conveyed his country's position in a meeting with Trade-Industry Minister Yi Pong-so at the latter's office yesterday.

Burdon is visiting Korea on a tour of four Asian countries including Japan, Singapore and Malaysia in order to promote economic and trade exchanges between New Zealand and Southeast Asian countries.

During the meeting, Yi and Burdon exchanged views on the solution to bilateral issues, the development of the world economy following the end of the Gulf War, the outcome of the Uruguay Round of multilateral trade negotiation and the future of the Asia-Pacific Economic Cooperation (APEC).

In particular, they agreed that Korea and New Zealand will cooperate for the successful conclusion of the Uruguay Round trade talks.

Yi pointed out that the United States and the Cairns Group, the major exporters of agricultural products, should take a flexible position on the import liberalization of rice in the Uruguay Round negotiations.

Burdon promised that New Zealand will earnestly reflect Korea's position against the import liberalization of rice in consideration of its weak agricultural industry in the Uruguay round talks.

The Uruguay Round negotiations were scheduled to be concluded in a meeting of trade ministers from 108 countries in Brussels in last December but collapsed due to wide differences between the United States and the 12-member European Community over the reduction of government subsides to farming households.

Initiated by the United States, the negotiations seek to include agricultural and fisheries products, services and intellectual property rights into global merchandise trade as stipulated by the General Agreement on Tariffs and Trade (GATT).

The Uruguay Round talks are still continuing as the United States is determined to extend the deadline.

Yi called upon New Zealand to support Seoul's hosting of the third general assembly of APEC in October this year, winning assurances from Burdon.

The two ministers discussed a wide range of steps on the development of APEC, especially free trade in the Asia and Pacific Region.

APEC was set up in 1989 with 12 countries in the region in order to cope with the regimentation of the world economy as seen in the unification of the EC market from 1993 and the free trade agreement among the United States, Canada and Mexico.

The 12 countries are the six members of the Association of Southeast Asian Nations, Thailand, Singapore, Indonesia, the Philippines, Malaysia and Brunei, and Korea, New Zealand, Australia, Japan the United States and Canada.

Australia hosted the first general assembly of APEC in 1989 and Singapore the second last year.

Yi asked New Zealand to take steps in order to correct the trade imbalance in favor of Wellington.

Yi and Burdon shared the view that there is more room for the expansion of bilateral trade and investment in consideration of complementary structure of the industries of the two countries.

They also agreed that the two countries should cooperate in the exploration of markets in third countries, especially the Soviet Union, China and other socialist countries.

Later in the day, New Zealand's minister met with Agriculture, Forestry and Fisheries Minister Cho Kyong-sik.

Increases in Economic Aid to Third World

SK1603014991 Seoul THE KOREA TIMES in English 16 Mar 91 p 2

[By staff reporter Sin Hak-lim]

[Text] South Korea, on the threshold of joining the ranks of advanced countries, is gearing up to increase its assistance to developing countries. Various relevant institutions will be integrated under the Foreign Ministry soon for "efficient and systematic" assistance to foreign countries.

A new institution, called the "Korea International Cooperation Agency (KOICA)," will be inaugurated next month. The relevant law was enacted last November. The projected organ is similar to the Japan International Cooperation Agency (JAICA) and the United States Agency for International Development (USAID).

There are three kinds of Korean assistance for foreign countries—soft loans, grant-type financial aid and other technological cooperation such as training of foreign workers and dispatch of youth volunteers.

In 1989 alone, some $64 million were provided in loans at low interest rates from the Economic Development Cooperation Fund (EDCF) to developing countries. Quite recently, South Korea decided to extend a loan of $10.37 million and $10 million to Sri Lanka and Jordan, respectively.

All other kinds of assistance to foreign countries will be taken up by the envisioned KOICA. The Korea Overseas Development Corporation (KODCO) will also be absorbed into the agency. A KODCO official welcomed the integration as a "desirable development."

South Korea, now one of the newly industrialized countries (NICs), had received foreign assistance in kind from the United States and other Western countries until the late 1970s.

"Now is the time for our country to help others. Besides this, it is very natural to provide assistance to underdeveloped countries commensurate with our economic capability," said a ministry official. He said that it is inevitable to integrate institutions for assistance as the scale of foreign aid is increasing year by year, though the total amount of financial aid still accounts 0.03 percent of the GNP.

The increased assistance to developing countries will also help South Korea enter the Organization for Economic Cooperation and Development (OECD) in the mid 1990s.

Korea will be the first country among the NICs to operate an organization exclusively handling foreign assistance, the ministry official said.

Some 338 foreign workers and mechanics from 91 countries will be invited to Korea this year for training in various sectors. Those countries include the Soviet Union, Romania and Poland.

About 40 Korean technicians and mechanics will also be dispatched to developing countries for basic training of workers. The principal categories include forestation, rice cultivation, repair of cars and electronic goods, food processing and the manufacturing of tractor and other agricultural equipment, according to the ministry plan.

Yi Si-yong, ambassador at large, said that Korean assistance to underdeveloped countries should focus on helping them "stand on their own feet."

"The financial aid is important. But those developing countries are more eager to learn from Korea about the planning and strategy for rapid economic development," said Yi, who is now heading a task force on foreign policy in the ministry.

He also pointed out that some Western countries' assistance to poor countries failed in the past because of a lack of technical personnel and infrastructure.

In that respect, he said, the government will invite ranking officials of developing countries to teach them about economic planning and its enforcement.

Reactions on Call for Early DLP Convention

SK1603022591 Seoul THE KOREA TIMES in English 16 Mar 91 p 2

[From the "Press Pocket" column: "Diverse Reactions"]

[Text] There were diverse reactions to Kim Yong-sam's proposal to advance the party convention to sometime this June unmistakably aimed to jockey for hegemony of the ruling party and thus establish himself as its undisputed presidential candidate.

Kim Chong-pil, DLP [Democratic Liberal Party] co-chairman leading the smallest group of some 30 lawmakers, yesterday applied the brake to the executive chairman's intention, saying, "the party charter should be honored."

According to the charter, the convention should be held in May next year.

Kim Chong-pil added, "Do they (Kim Yong-sam faction) intend to bolt from the party if the convention is not advanced? They seem to fall short of understanding which way the wind is blowing at Chongwadae (presidential office)."

The atmosphere at Chongwadae is generally taken as being in favor of holding the convention sometime after the parliamentary elections about one year from now.

DLP Secretary General Kim Yun-hwan, who is a confidant of President No Tae-u, responded, "There should be some agreement on the timing and method of the convention.

Apparently mindful of the tough will of the cohorts of Kim Yong-sam, he added, "If I cannot afford to persuade Kim, I may have no choice but to fall back."

The followers of Sports-Youth Affairs Minister Pak Chol-on, who leads a giant group of supporters, voiced their objections.

It is said that Pak needs time to prepare for the intraparty contest for hegemony against Kim Y.S. Pak, who is related to President No, is reportedly planning a reverse of the Kim Yong-sam faction through a natural course in the next general elections.

Poll Conducted on Views of Local Elections

SK2003044591 Seoul HANGUK ILBO in Korean 20 Mar 91 p 1

[Text] It is not regional or party backgrounds of candidates, but their ability for regional development that will likely be an important factor in the selection of candidates in the 26 March elections for primary-level assemblies.

A few more than expected are likely to vote despite the people's apparent indifference to the elections and lack of understanding of what local assemblies do.

This analysis was shown in a Media Research poll jointly commissioned by HANGUK ILBO Co. and the Munhwa Broadcasting Corporation. This telephone survey polled 1,000 voters from across the country from 17-18 March.

In this poll, 56.7 percent said that they "will vote;" 26.8 percent said that they "will decide whether to vote or not around the time of voting;" and 15.5 percent said that they "will not vote."

Also, 59.6 percent said that, contrary to the previous elections, there is "virtually no irregularities," such as distribution of money and goods and wining and dining, and 29 percent said that instances of such irregularities "have been significantly reduced." On the question of whether or not government power has been involved in election campaigning, 38.9 percent said "to a certain extent," and 8.9 percent said "to a great extent." This means that people harbor plentiful suspicion over the involvement of government power in election campaigning.

On people's interest in the elections, 64.1 percent said that "people in general are indifferent." This symbolizes the atmosphere of the election campaigning. Meanwhile, 58 percent said that they are indifferent because of "political mistrust," and 12.1 percent said that they are so because the qualification of candidates fell short of their expectations.

In connection with this, 37 percent said that they "know nothing about the candidates." Over whether or not political parties must be allowed to participate in elections of primary-level assemblies, which was a controversial issue between the ruling and opposition parties in the beginning of election campaigning, 50.7 percent said that "participation by political parties must be completely rejected." However, 36.4 percent did not know that members of city, county, and district assemblies will be elected in the upcoming elections, and 67 percent said that they "do not know" in detail what primary-level assemblies do. This means that there is a serious lack of public relations activities by the political circles.

Four Accused, Three Booked for Election Bribery

SK2003015391 Seoul THE KOREA TIMES in English 20 Mar 91 p 2

[Text] Four people were accused of offering or receiving money in connection with their candidacy withdrawal, the first of its kind in the upcoming local council elections, prosecutors said yesterday.

A local councilor-elect was booked for bribing a rival candidate into calling off his campaign, prosecutors said.

Chi Tong-chu, a 41-year-old merchant in Yochon, Chungchongnam-to, offered 25 million won to his rival candidate Cha Min-kyu, 50, last Thursday, asking him to withdraw his candidacy, said the Hongsong branch of the Taejon District Prosecutor's Office.

Chi was elected there as a member of the county council without requiring a vote on March 26 because only those two candidates applied for the position.

Prosecutors will also charge bribe-taker of violating the local council election law.

Meanwhile, the Sosan branch office booked two candidates on the same charges.

Yi Kwan-ha withdrew his candidacy in Tangjin, Chungchongnam-to, after receiving 2.3 million won from another candidate, Sin Tok-hyon, prosecutors said.

Opposition Protests Airing of No Tae-u Meetings

SK2003014591 Seoul THE KOREA HERALD in English 20 Mar 91 p 2

[Text] Opposition parties have protested against the daytime live televising of two rounds of government-organized meetings. Both were presided over by President No Tae-u.

Charging that the "unprecedented" live coverage could affect the results of the coming local assembly elections, the opposition urged television networks to immediately stop such an "unfair" practice during the official election campaign period.

More than 200 government officials, union leaders, scholars and journalists discussed industrial peace and economic development during a Chongwadae meeting yesterday which was nationally televised for about two hours. Another debate on steps to reinvigorate manufacturing industries were also broadcast live during the daytime March 14.

Official campaigning for the March 26 local elections began March 8 and ends on the eve of the voting day.

The main opposition Party of Peace and Democracy [PPD] charged the government with intervening in the elections and presenting "pork-barrel" projects through the live televising of government-sponsored meetings.

PPD chief policy-maker Cho Se-hyong telephoned two television networks, KBS [Korean Broadcasting System] and MBC [Munhwa Broadcasting Company], early yesterday and strongly protested the controversial broadcasting, party spokesman Pak Sang-chon told reporters. Yesterday's live broadcast began at 9:30 a.m.

Cho called on the television networks to stop the live broadcast of government-organized meetings during the official campaign period.

Some PPD lawmakers, meanwhile, visited the Central Election Management Committee [CEMC], and asked CEMC to endeavor to keep the government from carrying out election campaigning in favor of candidates from the ruling Democratic Liberal Party.

The minor opposition Democratic Party [DP] accused the government of presenting a large number of local development projects through live broadcasts in an attempt to intervene in the local elections.

"It is a political plot to affect the results of the elections," DP spokesman Chang Sok-hwa said in a statement.

Political parties cannot field candidates for the coming small-area local elections in small- and medium-sized cities, "kun" (county) and "ku" (ward) in big cities. But most candidates have some connections with the existing parties in one form or another.

Criticism of TV Debate Dismissed

SK2003060891 Seoul YONHAP in English 0527 GMT 20 Mar 91

[Text] Seoul, March 20 (YONHAP)—Opposition denunciations of a live televised debate between President No Tae-u and government officials as unfair campaigning were "preposterous instigation," presidential spokesman Yi Su-chong said Wednesday.

"Tuesday's Chongwadae (presidential office) debate on economic affairs was planned early this year to accommodate public opinion in connection with policies on state affairs as evinced by President No Tae-u in his New Year news conference, but was postponed because of the Gulf war and for other reasons," he said.

"Live broadcast of the debate was made at the request of KBS [Korean Broadcasting System]-TV and MBC [Munhwa Broadcasting Company]-TV, who decided to do it by themselves and asked Chongwadae for permission.

"Inspection tours by President No of provincial areas has nothing to do with the local council elections. They are aimed at his being briefed annually on the public work plans being pursued by each province and big cities," Yi said.

Yi called on the opposition to drop its anachronistic stance that people can be blinded by absurd allegations.

Poet Accuses Security Agency of 'Torturing'

SK2003104191 Seoul YONHAP in English 0824 GMT 20 Mar 91

[Text] Seoul, March 20 (YONHAP)—Pak No-hae, Korea's "faceless poet," has accused the state security apparatus of torturing him with sleep-deprivation. His lawyer said on his behalf Tuesday that the Agency for National Security Planning (NSP), which has held him in custody since March 10 on a charge of forming an anti-state organization, had allowed Pak just two hours sleep a day since he was arrested.

Pak is exercising his constitutional right to remain silent and appears debilitated from his weak heart, the lawyer said.

Kim Ok-sun, Pak's mother, Chang Kang-cha, his mother-in-law, the Rev. Pak Ki-ho, his elder brother, and three lawyers had met with the self-proclaimed socialist.

Burma

Exiles Hold News Conference at UK Parliament

BK1903073791 London BBC in Burmese to Burma 1345 GMT 18 Mar 91

[From the program "Current World Affairs" presented by Aung Myint Tun]

[Text] [Aung Myint Tun] I present now the summary of a news conference held at 1130 British Standard Time this morning in the Jubilee Hall at the British Parliament in London by U Peter Limbin, Dr Em Marta, and Dr Thaung who had attended the meeting of the Human Rights Commission in Geneva. The news conference began with an introduction by a member of the British Parliament, Mr Jim Lester, as follows:

[Begin Lester recording, in English fading into Burmese translation] There is a great deal of parliamentary concern throughout the world about the situation in Burma. In the autumn of last year, starting with this Parliament, we organized parliamentarians in most countries in Europe and the European Parliament, in Japan, in India, in Australia, in Canada, and in the United States to sign a letter addressed to Mr Perez de Cuellar. [end recording]

[Aung Myint Tun] What he said was that there is a great deal of concern about the situation in Burma and parliaments were among those expressing their concern, including the British Parliament, the European Parliament, and parliaments in Japan, India, Australia, and the United States where members signed a letter to the UN secretary general appealing to him to deal with the situation in Burma. The second person to address the news conference was U Peter Limbin, member of the Parliament of Burma and foreign minister of the coalition government at the border.

[Begin U Peter Limbin recording, in English] We have the great pleasure to meet here the British Parliament which is a member of the [word indistinct] of European countries. I represented my people and my country and I was elected person of May 27 elections. After the elections we thought the army regime will topple and transfer the power very soon, but we waited till seven months. There was no chance of having back the people's power and transfer power, so we.... [sentence incomplete as heard] [end recording]

[Aung Myint Tun] What he said was that he was one of the representatives elected by the people of Burma during the 1990 May elections and that they waited for seven months for a transfer of power from the military regime, but there was no change. So they first planned to form a parallel government within the country and then later formed a coalition government with ethnic organizations at the border. He said that they would continue to work for the unity of the union, unity among the national people, and democracy desired by the people. Next, a Karen national leader, Dr. Em Marta, spoke as follows:

[Begin Dr. Em Marta recording, in English] Our country, which is known as Burma, has been in civil war since 1948 [words indistinct]. [end recording]

[Aung Myint Tun] What Dr Marta said was that no one knows for certain how many people have died in the civil war in Burma which started in 1948. He said they have joined with some National League for Democracy [NLD] representives in forming the national coalition government to stop the 43-year old civil war. He said all 21 parties supported the national coalition government and that all the national people want to live in equality and freedom within the union. The last person to address the news conference was Dr. Thaung Tun, a student leader. He began by saying:

[Begin Dr. Thaung Tun recording, in English] Thank you very much for your interest in Burma and we appreciate very much your sympathy and support to the just struggling of the Burmese people for democracy and human rights. I represent.... [sentence incomplete as heard] [end recording]

[Aung Myint Tun] What the student leader, Dr Thaung Tun, said was that he thanked and appreciated the interest and sympathy of the members of the British Parliament and the British people in Burma's struggle for democracy and human rights. He said he represented the students. He said the human rights violations are continuing in Burma and that members of the opposition parties, students, and monks are being arrested, oppressed, and tortured. He said according to a reliable report they have received, Min Ko Naing—a student leader and their colleague—is partially paralyzed from torture he received in prison. He said the time has come for international assistance to deal with such oppression and lack of democracy and he called for economic sanctions.

Radio Reports Annulment of ULDP's Registration

BK1903145491 Rangoon Domestic Service in Burmese 1330 GMT 19 Mar 91

[Text] The Commission for Holding Multiparty Democratic General Elections of the Union of Myanmar [Burma] issued Announcement No. 919, dated 19 March 1991. The announcement reads:

Subject: Annulment of Registration of the United League of Democratic Parties [ULDP] as a political party.

1. The Commission for Holding Multiparty Democratic General Elections of the Union of Myanmar announced that the ULDP—a coalition of eight political parties—which has its headquarters at No. 875, Compound No. 21, Ledauntkan Street, Sa-Hsa ward, Thingangyun Township, Yangon [Rangoon] Division, was permitted registration as a political party by the commission in accordance with Article 5A of the Political Parties Registration law on 23 February 1989. This was stated in Announcement No. 205 issued on that day.

2. However, since the commission is now in receipt of a request from the chairman of that party's Central Executive Committee seeking an annulment of the registration, since the party no longer conforms to the character of a political league, the commission hereby announces the annulment of the registration of the ULDP with effect from 19 March 1991.

By the authority vested in me,

Signed: Aye Maung, secretary

Cambodia

Heng Samrin Addresses School Inauguration

BK2003001691 Phnom Penh Domestic Service in Cambodian 1300 GMT 16 Mar 91

[Speech by Heng Samrin, secretary general of the Kampuchean People's Revolutionary Party Central Committee and chairman of the Council of State, at 15 March ceremony to inaugurate secondary and primary schools in Preah Sdach District, Prey Veng Province—recorded]

[Text] Esteemed clergymen; beloved comrades and compatriots:

Although the buildings of the two schools that we are inaugurating today are not very big and have not yet been sufficiently furnished, they are new achievements in the educational field made by our Preah Sdach District and Prey Veng Province. This has been accomplished with the assistance of our party and government which have always paid attention to the fundamental rights and interests of our people, such as the right to learn and seek knowledge.

We still remember well that in the previous regimes, this region did not have any junior high school like today. Under the genocidal Pol Pot regime, over three million of our people were most cruelly and barbarously massacred by the criminals. They ruined the social system, national traditions, customs, cultural establishments, and even Buddhism as worshipped by the Cambodian people.

In the past over 12 years following the liberation of our country from the genocidal Pol Pot regime, while confronting the war of destruction caused by the Cambodian reactionaries (?and opposing) the return of the genocidal Pol Pot regime, our party, government, and people have strived to surmount all the bad consequences left behind by the genocidal regime in order to restore and rebuild the economy and livelihood in our entire national society. Education has also been restored and developed rapidly. School buildings, from primary [words indistinct] throughout the country.

Boys, girls, and male and female youths who are the sons and daughters of our people either in cities or in the countryside have all been able to learn and seek knowledge in [words indistinct], technology, science [words indistinct] further their study abroad.

The erection of the buildings of these two schools that we are officially inaugurating today is profoundly significant to our people in this (?remote) region. This is because from now on, boys, girls, and male and female youths who are our people's children will be able to attend school in their own villages and district. They do not have to attend school in a distant place as before, particularly after they complete their primary education. Therefore, the authorities and people here and all the teachers and students should strive to defend, maintain, and take good care of these two schools. You should also make them even better, use all these school buildings effectively, and pay attention to enhancing the educational qualities, thus enabling these schools to be worthy of being the center for educating and raising the children of our people to become good citizens and the successors of our country's revolution in the future.

Esteemed clergymen; beloved comrades and compatriots, let us look back at the general situation in the past more than 12 years, particularly the period following the total repatriation of the Vietnamese volunteer troops from Cambodia. Although our country has been confronting the rapid changes of the situation inside and outside the country, our new regime has continued to progress firmly on the correct path toward the only goal chosen by our people, that is to build an independent, peaceful, sovereign, permanently neutral, and nonaligned Cambodia with its territorial integrity.

As a matter of fact, during that period, the three reactionary Cambodian groups, namely the Pol Pot clique and its allies—Sihanouk and Son Sann—have never allowed our people to live peacefully. Verbally, they have talked about their love for the country [words indistinct], but in deeds, they have kept committing acts of sabotage and destruction against our national rebirth with an ultimate aim of toppling the State of Cambodia, thus enabling the genocidal Pol Pot regime to return to seize control over the Cambodian territory.

Entering the current 1990-91 dry season, as the international public opinion has called for restraint from intensifying military activities in order to create an atmosphere of detente for advancement toward a political solution to the Cambodian problem, the tripartite groups, particularly the Pol Pot clique, have broadened the scale of the war by launching successive offensives against us along a number of areas, military or civilian, in the border provinces, causing loss of life and property. Our armed forces and people, however, have repulsed and smashed all these cruel and barbarous activities by inflicting successive defeats on them and foiling their dark designs.

Until now, we have been able to firmly preserve our mastery over our territory and ensure the normal process of our social life.

Esteemed clergymen; beloved comrades and compatriots, despite our position of strength which keeps us in control of every point of our territory and the entire population, we desire to end the war quickly so as to bring peace to our people. During the past few years, our party and government have made immense efforts and spent a lot of time and money participating in several negotiations with the other side in order to seek a political solution for ending the conflict in Cambodia.

In this direction, our party and government have adhered to a goodwilled stance by making many successive concessions so as to quickly achieve a political solution. But until now, this problem still remains very complicated and tense due to the fact that the other Cambodian groups do not have genuine goodwill in the negotiations. They have kept seeking pretexts, making useless demands, refusing to recognize our goodwill, and creating obstacles, thus causing a deadlock in the search for peace.

After the five permanent members of the UN Security Council put forth the draft agreement dated 26 November 1990, our party and government, adhering to the genuine goodwill for peace and spirit of responsibility for the fate of the people and the motherland, have announced their acceptance of most (?fundamental) points of the document. As for the other points, we have proposed further discussion on all these points which are issues related to the fate of our nation and the survival of our people. For example, the question that the document did not mention the genocide nor set concrete measures for preventing the return of the genocidal Pol Pot regime, and the questions which are inappropriate with the principles of respect for the Cambodian people's sovereignty and right to self-determination and which are inappropriate to the UN Charter. But, the other Cambodian groups [passage indistinct] accused us of rejecting the UN peace plan and blamed us for hindering the search for peace in Cambodia.

Our party and government's stance is that we always welcome and acclaim countries or international organizations which have helped to settle the Cambodian problem. But what we want is genuine peace and national reconciliation. By genuine peace, we mean long-lasting peace which does not bring back the genocidal Pol Pot regime and not just [words indistinct] peace and then renewal of war.

The negotiation to seek peace must be based on the principle of strict respect for the principle of the UN Charter regarding the respect for national independence and sovereignty and each people's right to self-determination. [words indistinct] Cambodian problem must conform to the realities and the correct aspirations of the Cambodian people.

Recently, our National Assembly convened an extraordinary session to discuss in depth every issue relating to the search for a solution to the Cambodian problem and highly agreed on a principled stance and view concerning a reasonable and just political solution to the Cambodian problem.

1. A comprehensive political solution to the Cambodian problem should have concrete measures to prevent the return of the genocidal Pol Pot regime.

2. The political and military status quo should be maintained until the establishment of a new government through free and proper elections.

3. The important role of the United Nations in a solution to the Cambodian problem should be in accordance with the UN Charter and the principle of respect for Cambodia's sovereignty and the Cambodian people's right to self-determination. The role of the United Nations in a solution to the Cambodian problem should be defined by the Supreme National Council [SNC], which represents Cambodia's sovereignty.

On this occasion, I would like to appeal to the other Cambodian side to show genuine goodwill in the search for a political solution; end hostile activities against its own nation; and hurriedly go to the negotiating table in order to continue reconciliatory talks sincerely and constructively on the essential points of the draft agreement aimed at quickly ending the national conflict and bringing genuine peace to the motherland and the people. If an agreement can be reached on a cease-fire, end to foreign military aid, repatriation of refugees, or the construction of a Cambodian infrastructure before a political solution, this would be even better in the interests of the people and the motherland as well as in the cause of peace in Cambodia.

I would like to appeal to compatriots living abroad and in refugee camps on Thai territory to strive to contribute to supporting the State of Cambodia's stance in the search for peace for the nation and country. In particular, compatriots who are in the ranks of the other Cambodian side, please realize and consider national interest first and stop using arms to cause destruction among your own people. Please quickly return to the nation and society and contribute to building and developing the country and bringing happiness.

From this podium, I would like to express congratulations to the international community for actively contributing to the search for a just and durable political solution to bring peace to the Cambodian people as well as contributing to the safeguarding of peace and stability in the region. I appeal to the international community to provide assistance and support to the the five-point appeal made by Comrade Hun Sen, chairman of the Council of Ministers, on 7 March 1991 on the convening of a meeting of the SNC, voluntary ceasefire, end to military aid, end to the transport of weapons and war materiel through to Cambodia, and dispatch of fact-finding missions to refugee camps in zones under the other side's control in case it can assist in quickly bringing a comprehensive political solution to the Cambodian problem. [applause]

Hundreds of Refugees Flee Fighting in Northwest

BK1903082991 Hong Kong AFP in English 0614 GMT 19 Mar 91

[Text] Bangkok, March 19 (AFP)—Hundreds of refugees have fled fighting in northwestern Cambodia between

Phnom Penh forces and guerrillas of the Khmer People's National Liberation Front (KPNLF), relief officials said Tuesday.

About 1,500 people had crossed the Cambodian border into Thailand to take shelter in the sprawling Site-2 refugee camp, said the officials at the frontier. Site-2, with a population of 170,000, is administered by the KPNLF, one of two non-communist guerrilla factions allied to the Khmer Rouge. It receives aid from the United Nations.

The flow of refugees follows the start earlier this month of a drive by Phnom Penh forces to overrun the KPNLF stronghold of Thmar Puok, some 25 kilometers (15 miles) from the Thai-Cambodian border. The relief officials estimated that another 1,000 people, also fleeing the Thmar Puok area, had been sighted on the Cambodian side of the border opposite Site-2.

They said it was possible that the refugees had been held back by KPNLF guerrillas, anxious to stop Thmar Puok residents from crossing the border. Thmar Puok, home to 8,000 people and located on a strategic supply route, was seized from Phnom Penh forces in late 1989. It has since become a KPNLF showcase because of American aid.

A new road funded by the United States links Thmar Puok to the border. U.S. aid has also been used to build hospital facilities in the area.

According to KPNLF and Thai military officials at the border, the Phnom Penh forces' push towards Thmar Puok was launched March 9, using Soviet-made T-54 tanks and artillery. The offensive was checked late last week, the Thai officers said, indicating that the Khmer Rouge—the strongest of the Cambodian resistance groups—had been called in to assist the KPNLF fighters.

Khmer Rouge Division 519, deployed nearby, did not directly take part in the fighting, but did supply ammunition to the non-communist guerrillas, the officials said.

On Monday Phnom Penh's Foreign Minister Hor Namhong accused the guerrillas of having launched offensives "in an all-out bid to control more areas and more population."

Mr. Hor Namhong, reiterating calls for a "voluntary ceasefire," claimed that forces of his government—installed 12 years ago after Vietnam ousted the Khmer Rouge regime—were "only defending their positions."

The guerrillas have never accepted Vietnam's September 1989 announcement that all its troops had withdrawn from Cambodia, and KPNLF officials, in their reports of the Thmar Puok fighting, have claimed that 2,000 Vietnamese soldiers were among the estimated 6,000 men involved in the offensive.

A spokesman for the KPNLF armed forces later dismissed reports of Khmer Rouge assistance to the non-communist guerrillas fighting in the Thmar Puok area. During the battle, there was "no assistance from the Khmer Rouge to the KPNLF. I repeat no, in any kind," Ok Serei Sopheak said.

He said the policy of the faction's military command was one of "no cooperation with the Khmer Rouge," Cambodia's former radical Marxist ruling group.

The question of cooperation with the Khmer Rouge by the guerrilla factions loyal to the KPNLF and to former Cambodian king Norodom Sihanouk is a sensitive one.

Because of its human rights record, Congress in the United States has moved to cut all U.S. assistance to any group cooperating with the Khmer Rouge, whose rule between 1975 and 1979 has left hundreds of thousands dead in Cambodia's killing fields.

Enemy Losses Reported in Northwestern Province

BK1903080491 Phnom Penh SPK in English 0445 GMT 19 Mar 91

[Text] Phnom Penh SPK March 19—During the first two weeks of March, the armed forces of Siem Reap-Oddar Meanchey Province, 300 km northwest of Phnom Penh, annihilated 23 men of the Khmer opposition factions in fightings at the districts of Kralanh, Srei Snam and Chongkal.

The provincial troops also wounded 40 enemy soldiers, captured three others, seized 90 assorted guns, and destroyed 10 enemy hideouts.

Son Sann Gives Historical Overview of War

BK2003061591 (Clandestine) Voice of the Khmer in Cambodian 1100 GMT 19 Mar 91

["First message of His Excellency Son Sann, president of the Khmer People's National Liberation Front, to the clergy and Cambodian compatriots nationwide:" date not given—recorded]

[Text] Greetings to the beloved clergy and compatriots: I would like to talk to you cordially in my capacity as a citizen who has had some experience in running Cambodia for many years. I have served our Cambodia for over half a century, since 1935. Since 1979, I have been assisting all Cambodian nationalists in the struggle to liberate our country from the Vietnamese aggressors. Our goal is to regain independence and peace for compatriots in the country who have been suffering for over 20 years. Yes, 20 years. They suffered in the 1970-75 war; then in the Khmer Rouge genocidal regime from 1975 to 1978; and after 1978, we have suffered because the Vietnamese aggressors have occupied our country and wanted to annex our country to be a Vietnamese province.

I would like the clergy and compatriots to examine with me objectively, without bias toward any one side, how we have been suffering since 1970. To me, before 1970 we were united and we had peace. At that time, you still remember, there was war around Cambodia but we enjoyed peace. We were united and neutral. Those fighting at our border in Vietnam, however, wanted to drag us into the war as well but we opposed it and remained united and neutral and showed that we were outside the conflict. As you know, however, in March 1970, we were divided. I do not want to blame anyone. In 1970, there were only a small number of Khmer Rouge in the jungle; it was the Hanoi Vietnamese and the Khmer Vietminh [pro-Vietnamese Cambodian communists] who helped the Khmer Rouge and provided them with weapons and training. These communist Vietnamese remained the Khmer Rouge's allies right to the end of 1978. All of us know that Hanoi has always nurtured the idea of annexing our Cambodia to be a Vietnamese province. The Vietnamese seized that opportunity and used the Khmer Rouge by providing them with weapons and training them to fight against Marshal Lon Nol's troops.

After this, the Hanoi Vietnamese continued to help the Khmer Rouge to carry out genocide and massacre our innocent Cambodians. The Vietnamese were there; Hanoi was there. And they let this happen; at times maybe they even ordered this. A well known French writer had asked Pham Van Dong [former Vietnamese prime minister] why the Khmer Rouge carried out such a massacre of the Cambodian people and what Pham Van Dong's opinion of the Cambodian massacre was. Pham Van Dong did not answer but smiled because the Khmer Rouge were massacring our race, the force in our possession to oppose the Vietnamese enemy. This massacre would give Hanoi a pretext to commit aggression against our country. I said pretext because the Vietnamese aggressors immediately used that pretext. As you know, when the Vietnamese committed aggression against and invaded Cambodia, they said in their propaganda that they were coming to liberate Cambodia from the Khmer Rouge. This was a pretext because if the Vietnamese aggressors, the SRV, were really sympathetic to the Cambodian people, they should have assisted our Cambodian people against the Khmer Rouge since 1975.

Everyone knew then that the Vietnamese were right there when the Khmer Rouge were massacring our compatriots in the evacuation of millions of our compatriots from Phnom Penh, Kompong Thom, and Kompong Cham, and so on. The entire world knew about the Khmer Rouge genocide and the presence of the Vietnamese aggressors who were the Khmer Rouge's allies and even assisted the Khmer Rouge to become a UN member, right to the end of 1978.

From what I know, there were many reasons leading the Vietnamese aggressors to invade our Cambodia. First, the Hanoi Vietnamese, at the recommendation of Ho Chi Minh, wanted to set up an Indochinese federation under Vietnam's control with our Cambodia as another Kampuchea Kraom [former Cambodian territory now part of southern Vietnam]. Another reason, that Vietnamese strategists have written in their articles, is that Vietnam, Cambodia, and Laos form only one battlefield and should be united in the struggle. This is the strategy of the Vietnamese aggressors. As I thought further, I think the Vietnamese aggressors attacked Cambodia at the end of 1978 because of the Khmer Rouge who, despite their mistake, refused to be part of the Indochinese Communist Party set up by Ho Chi Minh in the 1930's. The last pretext used in committing aggression against our Cambodia was that Khmer Rouge troops attacked Cochinchina, our Kampuchea Kraom.

All of you still remember that at the end of 1978, Hanoi leaders went to Moscow and signed a treaty with the Russians and received from them a promise to assist in troops, weapons, and unlimited finance. This was why the Vietnamese aggressors have been fighting in our Cambodia since Christmas 1978 and occupying our Cambodia. The way Vietnam attacked Cambodia was similar to the way the Russians attacked and occupied Afghanistan. Compatriots know that on Christmas 1978, the Vietnamese aggressors attacked Cambodia and set up a regime in Phnom Penh under the leadership of former members of the Khmer Rouge and the Khmer Vietminh. It was like the Soviet Union attacking Kabul a year later, also on the same day, and setting up a puppet administration in Kabul. After that, you still remember that Soviet troops had to be withdrawn from Afghanistan. And the Soviets have arranged in such a way that Afghans are still fighting to this day in a civil war—Afghans fighting Afghans.

I am worried about this because Hanoi wants the Cambodians in Phnom Penh—who have been listening too much to Vietnam—to force our compatriots to become soldiers, and under the Vietnamese troops' leadership, to attack Cambodian compatriots among the nationalists who want to liberate Cambodia. These people still continue to use their pretext of preventing the Khmer Rouge from seizing power in Phnom Penh again. The Vietnamese aggressors try to get the international community to believe that the war in Cambodia is among Cambodians. The truth is otherwise. For 12 years, all Cambodian nationalists have united to oppose the Vietnamese aggressors who want to annex our territory to become another Kampuchea Kraom. We oppose this and this is why the war in Cambodia is not among Cambodians but between Cambodian nationalists and the Vietnamese aggressors who want to annex Cambodia.

I would like compatriots and the clergy to please remind all our compatriots everywhere—outside the country, anywhere; inside the country; and those who are currently forced to take sides with Vietnam—not to forget our history in which Vietnam completely annexed Champa and then our entire Kampuchea Kraom. Please do not forget the tea boiling incident in which the Vietnamese buried our ancestors alive and used the latter's heads as hearthstones to boil water and rice. Please remind our compatriots of this.

I will stop here for today and ask all compatriots in and outside the country to really consider what I am talking about with you today. I will have an opportunity to continue my message in the next few days to discuss why we have been suffering for so many years and whether there is any solution to end our suffering.

I beg to take leave for now.

VONADK: Enemy Troops Routed in Kompong Cham

BK2003012091 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 19 Mar 91

[Text] Between 23 and 28 February, the Vietnamese enemy aggressors and race exterminators and their puppets and lackeys gathered 1,500 of their troops, backed by six tanks and 105-mm artillery pieces, in an attempt to take back our liberated villages in Stoeng Trang and Chamka Leu Districts [Kompong Cham Province].

We ambushed and routed them, however. We killed 19 enemy soldiers and wounded 32 others; nine were taken prisoners. We seized six AKs, two light machine guns, three ARs, a B-40, and a quantity of other war materiel. We destroyed five AKs, three B-40s, two B-41s, three Goryunov machine guns, and a 60-mm motar.

Indonesia

Alatas Meets Belgian Development Minister 19 Mar

BK1903112091 Jakarta ANTARA in English 1001 GMT 19 Mar 91

[Text] Jakarta, Mar 19 (OANA-ANTARA)—Foreign Minister Ali Alatas and visiting Belgian Minister for Development and Cooperation Andre Geens here Tuesday discussed various international issues, including the Cambodian conflict, the post-Gulf war situation, the European single market, and the North-South relations.

During the meeting, Minister Alatas briefed his Belgian guest on efforts to seek a solution to the Cambodian conflict. Besides discussing problems relating to the postwar in the Gulf and the European single market in 1993, the two ministers also took up issues concerning the North-South relations.

The Belgian minister arrived here on Saturday for a 12-day stay in Indonesia. While here, Minister Geens will also sign several agreements on the construction of several Belgian-funded development projects with Chairman of the National Development Planning Board (Bappenas) Saleh Afiff. He will also pay a series of visits to Aceh, North Sumatera, and South Sumatera.

In Aceh, the Belgian minister and entourage is scheduled to officially inaugurate a horticultural project in Takengon. From Aceh, the Belgian guests will proceed to North Sumatera in which they will closely observe a Belgian-sponsored vocational school in Medan and make a one-day trip to Lake Toba.

In South Sumatera, Minister Geens will visit a training centre for inland water traffic and open a language laboratory and computer training centre in Palembang.

MP's Want Clarification on Losses, Bank Scandal

BK1903134591 Jakarta ANTARA in Indonesian 0849 GMT 18 Mar 91

[Excerpt] Jakarta, 18 March (ANTARA)—Members of Parliament [MP's] have welcomed the government's successful efforts to investigate the state's losses in the 1990-91 fiscal year, which stand at one trillion rupiah, but they also believe the amount may be higher. They called on the government to clarify why the losses caused by the Duta Bank scandal were included in the said amount.

Ben Messakh and Oka Mahendra, MP's from the Functional Group faction, as well as Budi Harjono and Yahya Nasution, MP's from the Indonesian Democratic Party faction, were speaking in Jakarta on Monday in response to the disclosure of the state's losses, described by Vice President Sudharmono as totalling one trillion rupiah.

Messakh said the inclusion of the 800-billion-rupiah loss caused by the Duta Bank scandal into the total state losses in the 1990-91 fiscal year must be clarified because the status of the Duta Bank is different from other state banks. As such, a clarification from the government monetary authorities is needed to avoid confusion.

Speaking on a separate occasion, Budi Harjono and Yahya Nasution said that if the losses are considered as state funds, the Department of Finance and the Bank of Indonesia, being the country's monetary authorities, must also be held responsible. Budi Harjono expressed concern that the inclusion of the Duta Bank case in the so-called state funds will create the wrong impression. He added that to prevent the recurrence of such wrongdoing, the government should enact a law governing the operations of financial institutions. Such a law will control the mobilization and management of funds by the institutions. Budi Harjono, who is vice chairman of the parliament's commission VI, pointed out the need for the government to speed up the tabling of a draft bill on the state treasury and banking, which will govern the management of state finances and funds.

Meanwhile, Oka Mahendra, Budi Harjono, and Yahya Nasution believe that the state's losses due to misappropriations may surpass one trillion rupiah. In this connection, Mahendra stressed the need for the government to further tighten its control mechanism. [passage omitted]

Government Issues Statement

BK1903155891 Jakarta Domestic Service in Indonesian 1500 GMT 19 Mar 91

[Text] The Vice President's Office this afternoon issued a press statement to the effect that the case of the Duta Bank is classified into the category of action which undermines the state's interests, because the case constitutes a form of corruption which affects national economy. The press statement also clarified the vice president's remarks to reporters last Saturday that the Duta Bank case, currently under investigation by the Attorney General's Office, involved 800 billion rupiah out of the total one trillion rupiah of the state's losses.

The investigation of the Duta Bank by the Attorney General's Office is clearly unrelated to the bank ownership and is purely due to the existence of corrupt practices. The press statement also said the Duta Bank is clearly a private bank, but the scandal has indeed undermined the country.

Laos

Army Political Department Order on Anniversary

BK2003065791 Vientiane Domestic Service in Lao 1200 GMT 19 Mar 91

["Text" of "instruction to military commanders at all levels throughout the country on the organizing of celebrations of the forthcoming 36th founding anniversary of the Lao People's Revolutionary Party" issued on 15 March by the Lao People's Army General Political Department]

[Text] March 22 marks the 36th founding anniversary of the Lao People's Revolutionary Party [LPRP]. The birth of the LPRP was an important historical event of the Lao nation. It constituted a factor deciding all victories of the Lao revolution.

The LPRP is the continuator of the cause of the Indochinese Communist Party. Over the past 36 years, the party has led the multi-ethnic Lao people in the national liberation struggle to attain independence, freedom, and prosperity to the country.

The celebration of the 36th founding anniversary of the LPRP this year is held at a time when the entire party, army, and people are enthusiastically emulating one another to create achievements to welcome the Fifth Party Congress. Such achievements were displayed through a brilliant success at the three-day party congress.

To show gratitude toward the LPRP and to organize the celebration of the party founding anniversary this year with profound contents, the Lao People's Army General Political Department [LPA GPD] has issued the instruction on the following points:

Objectives and Expectations:

1. To encourage cadres, party members, and the masses to clearly understand the talented and brilliant leadership and roles of the LPRP in the past 36 years in general, and in the past one year in particular so as to increase their faith in the party leadership, to unite them around the party Central Committee on the basis of the unification of their views toward the line, plans, and policies of the party and the party's organizations, to encourage them to defend and provide security in all aspects to the party and state leaders and to resolutely oppose all schemes of the enemies in trying to destroy and subvert the party and to discredit its role, position, and leadership.

2. To continue enhancing the true nature and traditions of the party and units, to enhance achievements and victories won by all units, to allow all units to effect basic changes in all fields, to resolutely rectify all shortcomings, and to oppose all phenomona which have undermined the revolutionary qualifications of party cadres and members.

3. To seize this opportunity to extensively and thoroughly promote the party's posture and influence among the masses, in the army, and among the people, aimed at increasing their faith in the party leadership; to train and cultivate ourselves into good party members and to create movements to welcome the fifth party congress with actual achievements.

Contents:

1. To study the speech delivered by General Secretary Kaysone Phomvihan at the third armywide conference of party cadres.

2. To study the report presented at the third armywide conference of party cadres.

Regarding the two above-mentioned themes; comparison of the good and weak points of all units and individual persons in the past must be rationally carried out, on the basis of having studied and appreciated their contents.

3. To study a speech, if there is one, to be delivered by the general secretary on the occasion of the 36th party founding anniversary and the history of the LPRP's traditions.

4. To outline detailed guidelines and plans for implementation and to persist in fulfilling duties of the units as assigned by the higher levels. In doing this, consultations must be conducted to set up targets to be achieved in creating actual achievements to welcome the 36th party founding anniversary and the fifth party congress. These guidelines and plans must be immediately relayed through party cells for implementation by all units.

Methods in Organizing Implementation:

1. The celebration of the party founding anniversary this year must be in a simple and compact format by stressing contents as its primary objective and using party cells as the principal organizers. If conditions prevail in divisions or brigades as well as in units attached to the Ministry [of National Defense], party cadres and members may be mobilized to attend lectures on the party's true nature and traditions. The LPA GPD has no time to organize such meetings.

2. A study of the contents of the documents mentioned in Item 2 [as heard] must be organized for two or three days. This study can be carried out either before or after 22 March. But it must be before the end of this month. Those party cells which have not yet carried out political activities within the party and between the party and the masses should seize this opportunity to do so. Or if they have also done that but still feel that the outcome is not effective, they should do it again.

4. [number as heard] After such activities have been carried out, the outcome must be assessed and numerical statistics of such an outcome must be reported to the LPA GPD, for instance, how many men there are in the unit; how many of them have attended the study; how many are absent; what political and ideological aspects of problems have been resolved; and what are the remaining shortcomings.

5. While organizing the celebration of this occasion, attention must be paid to heightening a sense of vigilance and to making preparations to maintain public security and social order.

After receiving this instruction, all units must strictly and correctly implement it.

Khammouane Party Committee Conference Closes

BK1903122491 Vientiane KPL in English 0929 GMT 19 Mar 91

[Text] Vientiane, March 19 (KPL)—After four days of sessions, the fourth conference of the provincial party committee of the central Khammouane came to a close on March 17, 1991.

The participants to the conference fully approved of the political report of the provincial party committee which genuinely took into account the comprehensive situation, the socioeconomic reality of the province, a profound and thorough guidance of the Lao People's Revolutionary Party.

The meeting also studied the content of the speech by the LPRP CC's [Lao People's Revolutionary Party Central Committee] General Secretary Kaysone Phomvihan demonstrating the traditional heroism of Khammouane people in defeating enemies and bringing into light the weak points and shortcomings to be tackled by the new board of the provincial party committee.

The conference elected a new 25-member board of the party committee of Khammouane and delegates to the forthcoming Fifth LPRP Congress.

Conference of Security Personnel Concludes

BK1903122291 Vientiane KPL in English 0925 GMT 19 Mar 91

[Text] Vientiane, March 19 (KPL)—The third conference of security personnel in Vientiane chaired by A-sang Laoli, member of the Lao People's Revolutionary Party Central Committee in charge of the Ministry of Interior wound up here after two days of work.

Attending the conference were over 100 representatives of security units from various institutions, including those coming from schools, hospitals, and factories. The conference heard the address of A-sang Laoli in connection with security activities in the past five years.

The security units were praised for their ability in maintaining security and social order in the capital. The report also highlighted the growth in terms of quantity and quality of the security forces. On the other hand, he talked about the need to be closely connected with the masses so as to better understand the public. In this connection, A-sang Laoli said in the past, there were some manifestations that the security forces abused their power. In the future, he said more efforts are to be paid in view to raise the quality of their services to the public, to ensure security and social order during the Fifth Party Congress due to take place soon.

Nine delegates of the conference were selected to attend the Fifth Party Congress.

More Refugees Return Home From Thailand

BK1603101891 Vientiane KPL in English 0921 GMT 16 Mar 91

[Text] Vientiane, March 16 (OANA-KPL)—Twelve families of Lao refugees made up of 42 persons, on March 15, have voluntarily returned home after spending more than ten years at the Thai refugee camp in Nakhon Phanom Province.

The reception was held at Hatsaifong District club, Vientiane Prefecture, and attended by the officials of the Vientiane Prefecture public health and social welfare service, the Thai Napho refugee camp, and the UNHCR [United Nations High Commission for Refugees] in Vientiane.

The refugees next month are expected to return to their home town in the northern Sayaboury Province.

Lao-Thai Agricultural Experiment Launched

BK1903122091 Vientiane KPL in English 0923 GMT 19 Mar 91

[Text] Vientiane, March 19 (KPL)—An experimental cash crop project jointly undertaken by the Lao Ministry of Agriculture and Forestry and the Agriculturists' Development Project of Thailand has been established in Hatsaifong District, Vientiane Prefecture, reports VIENTIANE MAI paper.

Ms. Kilanat, a technician of the experimental project disclosed that initially they had planted watermelon, cucumbers, cantaloupes, pumpkins, and papricas whose seeds were from Taiwan. The crops are expected to be harvested within three months.

If proved successful, in the future the project will expand its activities to other parts of the Vientiane plain.

Phoun Sipaseut Receives New Indonesian Envoy

BK1603104291 Vientiane KPL in English 0919 GMT 16 Mar 91

[Text] Vientiane, March 16 (KPL)—Mr. Phoun Sipaseut, vice chairman of the Council of Ministers and minister for foreign affairs of the Lao People's Democratic Republic, yesterday afternoon received Mr. Kasman Pahala Haojahan Siahan, the new ambassador of Indonesia to Laos.

The presentation of his credentials to the Lao acting president took place on March 14.

On this occasion, Mr. Phoun Sipaseut expressed congratulations upon the ambassador's appointment to the post which he hoped would contribute to the promotion and the strengthning of the good relations between the two countries and peoples of Laos and Indonesia.

Phoumi Receives Indonesian Envoy's Credentials

BK1603120391 Vientiane Domestic Service in Lao 1200 GMT 14 Mar 91

[Text] This morning in Vientiane, Phoumi Vongvichit, acting president of the Lao People's Democratic Republic [LPDR], received the credentials of Mr. Kasman Pahala Haojahan Siahan, new ambassador extraordinary and plenipotentiary of the Republic of Indonesia to the LPDR.

The conversation between the host and the guest proceeded cordially. Phoumi Vongvichit congratulated the new ambassador on his appointment by the Indonesian Government to be stationed in the LPDR. He wished the envoy success in carrying out his mission here to strengthen and make more fruitful the relations between the Lao and Indonesian Governments and peoples.

Phoumi Receives Films From Korean Envoy

BK1903122691 Vientiane KPL in English 0933 GMT 19 Mar 91

[Text] Vientiane, March 19 (KPL)—The ambassador of the Democratic People's Republic of Korea (DPRK) to Laos on behalf of his government handed over two sets of 18 documentary films to Mr. Phoumi Vongvichit, president of the Lao Front for National Construction (LFNC).

The documentary films were on the celebration of the 15th founding anniversary of the Lao People's Democratic Republic.

Leaders Attend Cremation of Senior Buddhist Monk

BK1903081191 Vientiane Domestic Service in Lao 1200 GMT 18 Mar 91

[Text] A traditional cremation ceremony for Venerable Maha Thongkhoun Anantasounthon, chairman of the Lao Unified Buddhist Fellowship Central Committee, vice chairman of the Lao Front for National Construction [LFNC] Central Committee, and vice chairman of the Asian Buddhists' Organization for Peace, was organized at the That Louang Neua Pagoda Temple in Vientiane on the afternoon of 17 March. The venerable senior Buddhist monk passed away on 10 March at the age of 68 and after 48 rainy seasons of Buddhist Lent.

The cremation ceremony was attended by thousands of senior Buddhist monks from various temples. Also attending were Souphanouvong, Political Bureau member of the Lao People's Revolutionary Party [LPRP] Central Committee and president of the Lao People's Democratic Republic; Nouhak Phoumsavan, Political Bureau member of the LPRP Central Committee and chairman of the Supreme People's Assembly; and Phoumi Vongvichit, Political Bureau member of the Party Central Committee, acting president of the republic, and chairman of the LFNC Central Committee; along with other party and state leaders and a large crowd of multi-ethnic people of all strata together with Buddhist believers and residents of Vientiane capital.

At the ceremony which proceeded in an atmosphere of sorrow, Khamtan Thepbouali, Standing Committee member of the LFNC Central Committee in the capacity as member of the cremation organizing committee, delivered a eulogy. In the eulogy, Khamtan Thepbouali gave a biography of Venerable Maha Thongkhoun Anantasounthon and recalled the meritorious deeds he committed during his (?monkhood). He described the late venerable senior Buddhist monk as an industrious and persistent monk with profound thought, who always maintained steadiness under all circumstances and feared no obstacles. Worthy of note is that, he said, the venerable senior Buddhist monk was a monk who maintained a patriotic spirit and coped with changes in the international situation, and that he related the Buddhist ethics to the line of peace, national independence, and social progress.

After the organizing committee member delivered the eulogy, religious rites were held. Later, at 2000, the cremation was held.

Philippines

Aquino Clarifies Order on Imelda Marcos' Passport

HK1903145791 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 19 Mar 91

[By Tanny Rodriguez]

[Text] President Corazon Aquino clarified today that she did not instruct Foreign Affairs Secretary Manglapus not to issue a passport to Mrs. Imelda Marcos. She made this statement in connection with Manglapus' announcement that the Department of Foreign Affairs will not issue a passport to Mrs. Marcos.

President Aquino said in her press statement that Secretary Manglapus himself has said that the directive did not come from the chief executive, but that it was his own decision.

Aquino Calls For 7-Year Extension of U.S. Bases

HK1903122091 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 19 Mar 91

[By Tanny Rodriguez]

[Excerpt] President Aquino made a stand today by saying that the retention of U.S. military bases in the country can only be extended for seven years. She made this statement in a dialogue with a group of senators led by Senator Agapito Butz Aquino.

The president said that to date, there are still two issues that remain unresolved by the Philippines and the United States so as to be able to come up with a new treaty. These are the issues of compensation and the extension of the bases' retention. [passage omitted]

Manglapus on Government's Bases Retention Terms

HK1903142291 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 19 Mar 91

[By Ruby Bernardo]

[Text] Secretary Manglapus has reported that the United States has stood firm on the 10-year transition period and $520 million annual bases compensation for the Philippines. Secretary Manglapus, however, insisted that the Philippines will not relent on its position for a seven-year transition and $825 million annual bases compensation.

In a related development, Congressman Leonardo Guerrero expressed the view that the Philippine bases panel may give in to the U.S. insistence on a 10-year transition period and $520 million annual bases compensation. He made the statement on the point that the United States panel may approve the Philippine request for the condonation of some of our foreign debts. As of this moment, no agreement has been reached yet regarding the compensation and retention duration issues.

Aquino Urged To Accept NDF's Truce-Bases Deal

HK1903142191 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 19 Mar 91

[Text] The progressive bloc in the lower house tried to convince President Aquino today to accept the NDF's [National Democratic Front] offer which calls for the dismantling of the U.S. military bases in the country. In turn, the communist rebels are offering a truce with government troops. This was expressed by Congressman Gregorio Andolana, progressive bloc spokesman.

According to Andolana, the government's conformance to the proposed dismantling of the military bases would result in a solution to the insurgency problem and to the nonintervention of the United States in Philippine domestic affairs.

Earlier, Satur Ocampo and Carolina Malay of the NDF announced that the communist rebels would stop their offensive operations if the government openly orders the desmantling of the U.S. military bases on 16 September of this year.

Senators Assail 'Meager' Bases Compensation

HK2003033691 Manila MANILA BULLETIN in English 20 Mar 91 pp 1, 17

[By Mario Casayuran]

[Text] A majority of the 23-man Senate said yesterday they would reject a new bases treaty if the U.S. government continues to insist on giving a "meager compensation package" to the Philippines.

They pointed out that the U.S. has even written off the huge foreign debts of Egypt and Poland although these countries do not host American military bases. This developed after the 13-man Senate progressive bloc met President Aquino at Malacanang yesterday.

Sen. Agapito Aquino said that the President wants to tie up the Philippine foreign debt problem to the ongoing military bases negotiations, in which one of the unresolved issues is the low compensation package offered by the U.S. government. The President reportedly expressed her sentiment against the low compensation rate but added that this matter might be remedied by Central Bank Gov. Jose Cuisia and Finance Secretary Jesus Estanislao, the country's foreign debt negotiators. Cuisia, Estanislao, and Finance Undersecretary Romeo Bernardo left yesterday for the U.S. to resolve the deadlock, among others, it was learned.

Many senators expressed their disenchantment over the results of the RP [Republic of the Philippines]-U.S. bases negotiations, according to Sen. Heherson Alvarez. Alvarez cited the U.S. government's writing off of close to $7 billion worth of foreign debt incurred by Egypt and its reducing by 50 percent the $25-billion foreign debt of Poland. Both countries sent military contingents to the U.S. led multinational force against Iraq in the Gulf war while the Philippines sent a 200-man medical team to Saudi Arabia but its medical mission was not officially recorded by the U.S.

Alvarez quoted an unidentified senator as saying that compared to the U.S. benevolent treatment of Egypt and Poland, the meager compensation package to the Philippines means that it is taking its former colony lightly. The U.S. offered to remit P [Philippine pesos] 360 million annually to the Philippines as compensation for the continued use of its military bases in the country for the next 10 years. The Philippine panel, on the other hand, is asking for $825 million annually as compensation annually for the next seven years. Senator Aquino said the deadlock between the Philippines and U.S. negotiating panels was one of the many issues discussed between his group and the President.

Senate observers said mishandling by the U.S. government of the bases compensation is likely to turn away pro-bases senators in protest against the low compensation rate.

Senator Aquino said the deadlock in the negitiations is playing into the hands of senators like him who are against the bases and "conservative" senators who originally appeared to favor a military bases treaty. He quoted Sen. Joseph Estrada, a surprise member of the bloc that met the President, as saying that he supports the program of the Chief Executive but she knows his sentiment against the U.S. military bases.

13 Senators Support Consultations

HK2003033491 Manila MANILA BULLETIN in English 20 Mar 91 p 17

[Text] Thirteen senators supported yesterday a call of President Aquino for consultations with the people on the RP [Republic of the Philippines]-U.S. treaty on the U.S. military facilities before the Senate ratification but underscored that this must be "non-binding" and not to be construed for a referendum.

Sen. Rene Saguisag said holding consultations with the people is an "obligation" but warned that a referendum before a treaty is ratified by the Senate will be "unconstitutional." Sen. Aquilino Pimentel Jr., meanwhile, said the President is talking about consultations because the government apparently has already made up its mind to enter into a new treaty. Sen. Joseph Estrada, an anti-bases advocate, said that the treaty cannot be brought to the people in a referendum before the treaty is ratified by the Senate. He believes that the consultation is meant to pressure the anti-bases Senate, calling it "another trick, another play."

Present during the meeting at Malacanang were Senators Saguisag, Pimentel, Estrada, Neptali Gonzales, Agapito Aquino, Leticia Ramos Shahani, Alberto Romulo, Vicente Paterno, Santanina Rasul, Victor Ziga, Ernesto Herrera, and Mamintal Tamano. Absent was Sen. Edgardo Angara who belogns to the group of senators calling themselves "progressives."

Foreign Affairs Secretary Raul Manglapus likewise said that the consultations must come after the treaty is signed and must be non-binding. The public consultations will be "persuasive but obviously it will not bind anybody...it should reflect the opinion of the people." President Aquino indicated that she was not yet certain of the kind of consultations she would want.

Asked whether the consultations would be in the form of a referendum to be supervised by the Comelec or an informal one conducted by a private group, Mrs. Aquino said, "As soon as we have a signed treaty, we will reveal our plans for the consultations." Observers said Mrs. Aquino has refrained from indicating the kind of consultation to avoid the misimpression that she was certain that a treaty would be signed by the two parties.

At this point, there appeared no consensus yet between the U.S. and Philippine panels on the issue of compensation and duration of U.S. military facilities after Sept. 16, the end of the RP-U.S. Military Bases Agreement. The Philippines is proposing a $825-million annual compensation over a period of seven years while the U.S. is asking for $400-million over a 10-year period.

Manglapus, meanwhile, likewise endorsed the holding of consultations before the treaty is submitted. "I think it is inevitable that the public should wish to be informed and be consulted once the treaty is signed. There is an understanding that it does not need to be organized. I am sure that non-government organizations and all kinds of private organizations will be very anxious to undertake their own seminars and public meetings," he said.

Camp John Hay Announces Termination of Workers

HK2003034591 Manila THE MANILA CHRONICLE in English 20 Mar 91 p 1

[By Manny Mogato]

[Text] Baguio City—American officials at Camp John Hay announced the termination this year of 500 Filipino workers employed in the camp. The first batch of 350 workers would be officially terminated by April 18 and the second batch of 150, by June.

The terminations came after the United States had agreed to turn over the rest-and-recreation camp, a tourist attraction and one of six facilities covered by the Military Bases Agreement, to the Philippines by July 1, 1991.

Meanwhile, Tourism Secretary Rafael Alunan III said his office might appoint private entities to operate some food outlets and golf courses in the camp, to keep it fully operational once it is turned over to the Philippines. In a statement, Alunan said the Department of Tourism, the lead agency in the government takeover of Camp John Hay, would coordinate with the military in augmenting camp security to prevent squatting, pilferage and burglary. He also belied reports that American camp officials were stripping the camp of removable equipment. "Only the equipment and facilities owned by concessionaires are being removed," he said. But Filipino workers interviewed said the Americans were carting away truckloads of equipment, supplies and other materials, as well as camp improvements, to Clark Air Base in Pampanga.

Workers classified under non-appropriated funds (NAF) were given their walking papers this week and told to serve only up to April 18. They include waiters, bartenders and houseboys. Other workers classified as direct hirees and technicians were given up to June, to help the Americans remove equipment and other structures inside the camp.

The government has reportedly assured the workers, who are agitating for immediate government takeover that they would be employed continuously. But many workers have expressed fears over the slow government takeover of the camp.

Explaining the delay, the government said it was still negotiating with several private groups, including Nikko Garden hotel and Japan Airlines, a Malaysian hotel chain, a Singaporean and a Saudi Arabian investment firm. But the workers said some government officials tasked to implement the turnover were apparently indecisive and apathetic to their fate. They added that the termination of their contracts would coincide with American plans to remove equiment and other improvements in the camp.

All terminated workers would receive a month's salary per year of service and other benefits, such as encashment of unused vacation and sick leaves. The workers have been earning an average of P [Philippine peso] 4,000 to P8,000 per month in the camp.

Direct hirees were drawing their salaries from the $1-million annual appropriations of the U.S. Congress to the camp. Others, including contractuals and those classfied under the NAF, were getting their pay from the more than $3-million annual income generated by the camp. Government officials have been meeting labor leaders, local officials and concerned residents over the impending closure and privatization of the camp. Residents living within the base reservation areas, including the camp workers, were worried about the possible loss of their rights to houses they now occupy. City officials said they were not consulted on the turnover and conversion of the camp.

The Abueva Legislative-Executive Bases Commission has outlined a plan converting Camp John Hay into a tourist spot, forest reserve and academic center. The Department of the Environment and Natural Resources is expected to take over the reservation areas, comprising more than half of the 600-ha camp. The Department of Tourism would take over the improved area comprising over 100 ha.

Meanwhile, the U.S. government has assured the workers they would be given priority for hiring in other Philippine-based U.S. facilities. It has given the terminated workers application forms for job vacancies in Clark, Wallace Air Station and Subic Naval base. Some were assured they would be transferred to Clark, while others were pinning their hopes on immigration papers.

Team To Discuss Debt Condonation With U.S.

HK1903063191 Manila BUSINESS WORLD in English 19 Mar 91 p 2

[By Alex B. Reyes and Anthony L. Cuaycong]

[Text] Following the precedent set for both Egypt and Poland, a condonation of the country's official debts will be discussed with U.S. Treasury officials, Finance Secretary Jesus P. Estanislao told reporters yesterday.

Bilateral lenders of Egypt and Poland condoned a sustantial portion of their official debts with the Paris Club group of creditors. But he explained that any official condonation of the country's debts must insure that the country comes out ahead on a net basis. He said a cancellation of debts may seem attractive at first, but it could have unacceptable repercussions. What the country has to watch out for is a possible contamination of its Japanese credits.

The finance chief said under Japanese guidelines, any country that has its debts condoned with Japan will be ineligible for additional Japanese aid. Japan is the biggest source of foreign aid for the country, accounting for roughly 40% of annual official assistance inflows. The Asian economic giant is also an important trade partner and source of foreign investments, and with Japanese Government and business ties so close, a cut-off from Japanese aid may damage these vital transactions.

Mr. Estanislao, the country's chief debt negotiator, is scheduled to depart today for Washington, D.C. together with Central Bank Governor Jose L. Cuisia Jr. Besides an exploration of debt condonation, the debt team is expected to discuss with U.S. Treasury officials new loans from commercial banks, a second round of market-driven debt reduction operations and the financial aspects of the bases compensation package.

Mr. Estanislao said meetings with U.S. bases negotiating panel chief Richard Armitage and key officials of the U.S. State and Treasury departments as regards components of the compensation package, including a scheme aimed at reducing the Philippines' debt obligations to the U.S., have already been arranged. "I will be meeting with Armitage and several people in the State department as well as in the U.S. Treasury," he said.

While only going so far as saying "We have a Philippine formula, but it is something we will have to discuss first," he said the program set to be presented to the U.S. is targetted at building up the gross international reserves and providing the Philippines "with resources that can support our budget operations so we do not have to borrow so much, and so we can bring down domestic interest rates."

Mr. Estanislao pointed to the availment of some P [Philippine pesos] 4.5 billion in foreign inflows for the first two months of 1991 "which certainly has helped Government's cash position and which has enabled us to bring down interest rates from 30% seven or eight weeks ago to 22-23% today, and we hope to take it down further to 17-18%."

The meetings will also discuss the lightening of the burden on foreign debt service. He said the Philippines "will indeed be floating bonds, but not according to the terms they (U.S. officials) imagine. Many times, the problem is that there are no specifications that have been given to them. So they've been reacting on the basis of a lack of information."

While declining to give specifics, he said the bonds to be floated do not need the U.S.' guarantee, and are aimed at reducing "a significant portion of our private commercial debt." And although the Philippines "is exploring the option" of applying the Polish formula to debt reduction initiatives, Mr. Estanislao noted: "We will not be approaching donors who have been very generous to the Philippines ...I'm looking at the Polish formula, but I don't think every bit of it is applicable to the Philippines."

Mr. Estanislao said any financial package must satisfy three basic objectives, in order of priority:

—cut the debt burden through either a debt stock or debt service reduction;

—provide budgetary support for internal fiscal operations; and

—build up the country's international reserves.

After Washington, Messrs. Estanislao and Cuisia will proceed to New York where they will convene a meeting of the country's Bank Advisory Committee [BAC]. The 12-bank BAC, co-chaired by Manufacturers Hanover Trust and the Bank of Tokyo, represents the country's 200-plus odd creditors in debt negotiations. A co-financing package that will have the banks providing new money alongside multilateral adjustment loans will be discussed.

With commercial banks reluctant to provide new lending to developing countries, the co-financing scheme was resorted to in order to give the new debts an enhanced status.

The Philippines have never rescheduled or defaulted on its multilateral debts, but usually stops payment on its commercial debts first whenever it gets into balance-of-payments problems.

Mrs. Estanislao said the banks have accepted the principle that they must do their share in providing support for the country's stabilization program, although they have not yet committed to provide specific amounts of new money.

Negotiators Seek Cofinancing Scheme With Japan

HK2003040791 Manila PHILIPPINES NEWSDAY in English 20 Mar 91 p 8

[By Rexie M. Reyes]

[Text] Finance Secretary Jesus P. Estanislao and Central Bank [CB] Governor Jose L. Cuisia Jr. left for Tokyo yesterday to meet with Japanese bankers and the finance minister of Japan to interest them on a possible co-financing scheme with multilateral agencies.

The co-financing program is aimed at raising $400 million which will help bridge the country's $2.2-billion financing gap for 1991 and 1992, Cuisia said. The $400 million was supposed to be raised through additional borrowings from foreign commercial banks, Cuisia stated. Since the foreign banks are suffering from a credit squeeze and are not too keen about lending to Third World countries, new alternatives have to be presented to them, he explained. The alternative which the Philippine government is focusing on is the co-financing facility, also called the "complimentary financing scheme," Cuisia said.

The new scheme will involve only a number of foreign banks belonging to the 12-bank advisory committee, the syndicate group of major foreign bank creditors of the Philippines chaired by the Manufacturers Hanover Trust Company. Under the new scheme, the foreign banks involed will co-finance a loan program of a multilateral agency, such as the World Bank or the Asian Development Bank, for the Philippines. This scheme is more attractive to foreign banks because this would exempt them from any rescheduling or debt moratorium, Cuisia explained.

The foreign banks explicitly asked for exemption from any deferment of payment on loans, or worse non-payment of loans, because this would trigger a need to raise additional cash for their loan-loss reserves, CB officials explained. The loan-loss reserves is a buffer fund intended to cover the effects of any default in payment of debtor-countries on the bank's bootomline figure.

Aside from the co-financing scheme, the Philippine government is also looking at another program which principally involves a "retiming" of payments on interest to foreign banks. The retiming scheme is another financing strategy which provides temporary relief by deferring quarterly payments on interest on foreign loans to the end of the year, Cuisia explained.

Debt servicing or payment of interests on foreign loans amounted to $2.139 billion last year. Of this total, debt servicing to foreign creditor banks amounted to $1.024 billion. This year, the total interest payments is projected to reach $2.2 billion, with the foreign banks accounting for about $1.2 billion, CB officials said.

After their Tokyo visit, Estanislao and Cuisia will proceed to New York and Washington, D.C. to get further support for and feedback on the co-financing scheme.

'Defeatism' Guides Conduct of Debt Negotiators

HK1903062391 Manila PHILIPPINE DAILY INQUIRER in English 19 Mar 91 p 4

[Editorial: "Why Debt Forgiveness for Poland and Not RP (Republic of the Philippines)"]

[Text] Poland won some very generous concessions last Saturday when the Paris Club agreed to write off half of the country's $33-billion debt from member governments.

At a meeting in London, the Club, composed of Western industrialized nations and Japan, approved a debt-reduction program that requires Poland to pay only 20 percent of interest due, effectively reducing the country's debts by almost $10 billion. After three years, 20 percent of Poland's official debts or about $6.6 billion will be forgiven, depending on how it complies with the terms of a three-year economic program approved by the International Monetary Fund.

To further lighten Poland's debt-service burden, the Club has asked commercial banks to extend similarly easy repayment terms on some $11 billion due them. And given the clout of the governments, the banks are expected to oblige by either writing off a portion of the country's debt or stretching the repayment period.

Financial analysts have been quoted by wire agencies as saying the decision of creditor nations could be explained by politics. Poland, they say, won the West by casting off 40 years of Communist rule and adopting a market economy. "In a way, it's a reward to our friends or people who cooperate with us in economic policy," said Lawrence Klein, a professor of economics at the University of Pennsylvania's Wharton School.

Politics was more in evidence in the decision of the United States to write off $7.1 billion lent to Egypt shortly after it joined the U.S.-led coalition in the Gulf.

But if debt forgiveness is the reward for democratic reform or supporting the West, why have our friends abroad not forgiven a single cent of what we owe them? U.S. officials have always praised our loyalty and steadfastness in coming to its support in the most critical times from World War II to the Korean War and, to a modest extent, the Gulf war.

In 1986, the Philippines was the darling of the West for toppling a dictatorship through a bloodless revolt and swiftly restoring democracy. But all we got were more loans, grudgingly granted under onerous terms set by the IMF.

It may be that to the Philippines, the U.S. and its rich friends have been generous with their words and miserly with their resources. But neither have we been assertive enough in telling them to put their money where their mouths are. On the contrary, the administration has from the very start cultivated a slavish posture, constantly assuring foreign creditors that we will honor all our debts, come hell or high water. Even as the national economy lay prostrate from a series of natural disasters and the Gulf war, our debt negotiators shrunk from the mere thought of asking for a debt write-off.

Undoubtedly other heavily indebted countries are now studying how they can make use of the Polish deal to lighten their own debt-service burden. But what is the reaction of our chief debt negotiator, Finance Secretary Jesus Estanislao? No, he says, the Philippines cannot push for a similar agreement, otherwise we will antagonize our creditors and risk having our foreign loans cut off.

When defeatism (or is it blind obedience to the wishes of creditors?) guides the conduct of our negotiators, all possibility of clinching a square deal is completely closed.

Poland's recent history closely follows the Philippine experience. But if Poland's debt has been reduced while the Philippines' continues to pile up, it is probably because the Poles did not have an Estanislao to negotiate for them. The time has long passed for the administration to find someone with the wish and the will to work for the national interest to take on the job of talking with our creditors.

Ramos To Meet Aquino on 'Presidential Plans'

HK2003034091 Manila PHILIPPINE DAILY INQUIRER in English 20 Mar 91 pp 1, 8

[By Tony S. Bergonia]

[Text] Defense Secretary Fidel V. Ramos is ready to join the LDP [Struggle of Philippine Democrats] and has set crucial meetings with President Aquino and Rep. Jose Cojuangco Jr., presidential brother and party playmaker, to decide his presidential plans.

"I'm going there (LDP) to become a member and certainly, being a new member, there should be no demands, no conditions," Ramos told Senate reporters in an interview. He said he will formally join the party after his meeting with the President in two weeks. He will meet with Cojuangco on Thursday.

Asked by reporters if his plan to run as president in 1992 depended on his meeting with Ms. Aquino, Ramos said: "To a very large extent, yes." Speculations are that Ramos has sought the meeting to find out once and for all whether or not he is the "anointed" one. The President has announced she had made her choice and would disclose it at the proper time. Ramos sidestepped questions on what he would do if he did not get the presidential endorsement. But speculations were that he might turn away from the LDP.

There are reports that getting Ramos into the LDP was part of the ploy of Mitra supporters in the party. The story was that once in the LDP, the defense chief will be asked to sign a gentlement's agreement that in his contest with Mitra for the LDP nomination, he will have to abide by an agreement that the loser will support whoever wins the party nomination. Then the overwhelmingly pro-Mitra party will make sure the Speaker gets the nod. There are also reports that if Ramos were the President's choice, the LDP support would not be automatic. These and other stories had prompted Senate and Liberal Party president Jovito Salonga to say that Ramos' entry into the LDP could result in the party's breakup. But Ramos said he did not intend to contribute to the forming of factions in the LDP. "I do not see myself as a demolitionist but I hope I will be considered as someone who will contribute to the LDP," Ramos said.

Sen. Neptali Gonzales, LDP president, said the party has accepted Ramos' entry into the party, adding the decision has been cleared with him, Cojuangco and Mitra. "We have long expected this development as a result of the series of talks our elements in the party have made," Gonzales said.

According to Gonzales, party leaders had no objections to entry of Ramos, although Mitra had admitted he would have more difficulty getting the party's nomination with Ramos around. But Mitra, according to Gonzales, said he believed Ramos would not overrun the party's process of selecting its 1992 slate. "Kilala ko naman' yang si Eddie, eh," [I know Eddie] Gonzales quoted Mitra as saying.

But Mitra, in a forum hosted by the Foreign Correspondents Association of the Philippines, said he was confident he would get the party nomination. "I will be nominated. I do not think beyond that," Mitra said during the forum.

Gonzales said Ramos would have to go through the party's selection process like all party members who would seek the party's nomination. He said although Ramos would not immediately get the support of party members, "we find that there are also people (in the party) from whom support may be drawn by Secretary Ramos."

Ramos said he was joining the LDP primarily because "I have so many friends there."

"My sister, Senator Shahani is there, too. And I think the LDP appears to be the best organized party, especially in the grassroots organization," Ramos said. The defense chief said he was encouraged to aim for the presidency by the results of a survey conducted by the NIC 2000 Foundation, which showed Ramos topping the list of most popular presidential aspirants. Calling the survey "the mother of all surveys," Ramos said it was more convincing than "the ordinary surveys" conducted earlier by other groups.

Sen. Leticia Ramos Shahani, Ramos' younger sister, said she believed her brother had a big chance of getting the LDP nomination. "My brother is very popular among mayors and governors," Shahani said. She said she agreed with her brother's decision to join the LDP because "if he will not join the LDP, there will be no arena by which he oculd test his candidacy."

Enrile Denies Withdrawal as Presidential Candidate

HK1903141991 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 19 Mar 91

[Text] Senate Minority Floor Leader Juan Ponce Enrile denies reports that he has given way to a Laurel-Cojuangco ticket of the opposition and that he has withdrawn from running as president in the 1992 national election.

Enrile explained that some sectors are just out to destroy the Nationalista Party [NP]. Nonetheless, Enrile assured that the opposition will field only one candidate in the coming election, and the NP has no intention of entering into an alliance with Cojuangco's Pilipino Party [PP].

Military Reports Bombings in Marag Valley

HK1903151591 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 19 Mar 91

[Text] AFP-CRS [Armed Forces of the Philippines-Civil Relations Service] Brigadier General Emiliano Templo reported today that the military has already dropped 150 bombs in Marag Valley, Kalinga Apayao. This area is believed to be a communist rebel stronghold. The military operation started last October 1990. Around 100 people have been reportedly affected by the operation.

Admits 'Lapses' in Marag Offensive

HK2003034891 Manila PHILIPPINES NEWSDAY in English 20 Mar 91 p 3

[By Dario B. Agnote]

[Text] Military authorities at Camp Aguinaldo do not discount the possibility of having "some lapses" in the month-long military offensive in Marag Valley, Kalinga-Apayao to flush out the communist insurgents operating in the area.

Brigadier General Emiliano Templo, Armed Forces civilian-military operations (J-7) chief, told battalion commanders attending a seminar at Fort Bonifacio that the "lapses might have been committed" in the course of the operation wherein at least 152 bombs were dropped over a 42-kilometer area in the valley.

"We may have committed some lapses because we did not look into this operation until December when human rights groups went there to the area to investigate," said Templo virtually admitting that human rights violations among the civilians might have been committed.

The Ecumenical Movement of Justice and Peace (EMIP) has alleged that at least 74 children died in Marag Valley during the military offensive due to sickness and hunger. Other human rights groups also claimed that the massive bombings in the valley had also resulted in the displacement of the approximately 978 residents, mostly peasants.

General Rodolfo G. Biazon, AFP [Armed Forces of the Philippines] chief of staff, dismissed the reports of human rights group as "exaggerated and without basis." He said there might have been civilians hurt in the operations, "but we are not so sure whether these civilians were indeed civilians."

At any rate, Biazon said the military would continue its offensive against the New People's Army (NPA) operating in Kalinga-Apayao and also in Abra, where the guerillas reportedly retreated after the military claimed that they had driven them away from Marag Valley.

Citing rebel documents seized by the military, Biazon said the communist movement considered Kalinga-Apayao and Abra as their "last bastion" owing to government neglect of these provinces.

In this light, Biazon urged the government to exert more effort in developing and speeding up the delivery of social services in these areas to thwart attempts by insurgents to make them as their strongholds. He said that NPA rebels were still gaining headway in areas where government presence is hardly felt by the people.

"Government should make its presence felt in these areas," Biazon stressed, adding that the poverty gripping the residents of Marag Valley and Abra pushed them into embracing the shadow government established by the NPA rebels. Biazon said the Army troops carrying out the ocpration in Kalinga-Apayao were now on the third phase of the operation in Marag Valley.

AFP Chief on Operations Against Rebels in Luzon

HK1903151991 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 19 Mar 91

[Text] Military operations against communist insurgency in northern Luzon may be prolonged, and Cagayan Valley may possibly be involved as well. This was announced by General Rodolfo Biazon, chief of the Armed Forces of the Philippines [AFP].

According to Biazon, they have already shifted their operations to Abra and Kalinga Apayao. Biazon said that the NPA [New People's Army] rebels fled to these places from Cagayan Valley.

In a related development, Philippine Army Commanding General Lisandra Abadia swore that the AFP would crush the 17 CPP [Communist Party of the Philippines]-NPA guerilla fronts before the end of this year. Abadia mentioned that 10 out of the 17 are operating in northern Luzon, three in southern Luzon and Bicol regions, and four in the Visayas. He stressed that the communist rebels' security threat has declined compared to that of the past two years.

Abadia specified that the rebels are actively operating in Cordillera, Samar, Surigao, and Misamis Provinces. It can be recalled that President Corazon Aquino has ordered the total crackdown on the insurgency before the expiration of her presidential term.

Negros Landlords Cut Subsidy for Militia Units

HK1803060291 Manila THE MANILA CHRONICLE in English 18 Mar 91 p 7

[By Manny Mogato]

[Text] Bacolod City—Military commanders here expressed fear over the lack of funds it needed from Negros sugar landlords, to arm its civilian volunteers against communist insurgents.

A senior army official here said the landlords' decision to cut subsidies to the Citizen Armed Forces Geographical Units (Cafgus) would delay their plan to crush the insurgency in two or three years.

The Sugar Development Fund program of Negros landlords had funded the allowances, benefits, armaments and supplies of 20 Cafgu companies. The Cafgu companies, each having 88 trained volunteers, provided security in and around the landlords' plantations in return for the fund. But this year, the landlords opted, instead, to rechannel the fund to economic development projects that would address worsening poverty in the island. The military views the Cafgu as vital to the success of its counterinsurgency program.

In its latest report, Amnesty International [AI] cited the Cafgus among the government security forces responsible for 50 cases of disappearances in the Philippines. Three of the 50 were summarily executed, six were detained, some were tortured and 25 remained missing at the end of 1990. Most of those missing were known to be critics or opponents of the government. In its report, the AI called on the government to bring Cafgus, and other security forces responsible for disappearances, to justice. It also called for the repeal of Presidential Decree 1850, which provides government security forces with immunity from prosecution in civil courts, regardless of the nature of the offenses they have committed.

The AI considers a person to have disappeared when he or she has been deprived of liberty, against his or her will, by any government official, or groups or individuals acting in behalf of, or with the permission, support or acquiescence of the government.

Army officials in Manila said they were hard up financially, and needed other fund sources to maintain the Cafgus. Otherwise they might have to disband some Cafgu companies.

The creation of a police force independent of the military was supposed to result in a bigger military budget. Government austerity measures, however, have slashed the military budget this year by 20%.

There are 80 Cafgu companies nationwide. Forty of these are subsidized by private interest groups, such as sugar landlords and logging operators.

The defunct Philippine Constabulary [PC], which the United States colonial government in the Philippines created to pacify rebel Filipinos, organized most of the Cafgus. Some Cafgus here were former members of the "Bac-ups," which Bacolod City organized to fight communist urban hit squads.

Military officials here said the 5% increase in the operating budget of field units would not be able to satisfy the needs of 1,000 Cafgu men needed in Negros Occidental alone.

The creation of the Philippine National Police [PNP] had compounded the budgetary problems of the military in maintaining Cafgus. Formerly under the PC, the Cafgus and their budgetary needs would be transferred to the military under the PNP Law. Cafgus are reservists, and are subject to military laws and other rules and regulations.

Labor Department Predicts 'Peaceful' Year

HK1903055791 Manila THE MANILA CHRONICLE in English 19 Mar 91 p 9

[By Booma Cruz]

[Text] Labor will be more peaceful this year compared to last year, as shown by the absence of strikes in seven regions since January, the labor department said yesterday.

According to the National Conciliation and Mediation Board (NCMB), no strikes have been declared in Regions I (Ilocos), II (Cagayan Valley), V (Bicol), VIII (Eastern Visayas), X (Northern Mindanao), XII (Central Mindanao) and the Cordillera Administrative Region (CAR).

Buenaventura Magsalin, NCMB administrator, predicted a 27% decline in a labor unrest for the rest of the year. Since the start of the year, Magsalin said only 23 strikes had been declared, compared to 37 over the same period last year. The number of strikers also decreased by 61%, from 19,695 to 7,649.

Fifty-nine per cent of this year's strikes involved less than 200 workers each. Most of the 6,355 total strikers came from the manufacturing sector.

Magsalin said most of the strikes were triggered by unfair labor practices and deadlock in collective bargaining agreement negotiations.

He said several indicators show a favorable, calm and stable industrial relations for the rest of the year. Among these indicators were:

—Average duration of strikes lasted only 10 days, compared to 11.5 days last year.

—Cumulative total mandays lost were lower at 119,688 compared to 189,174.

—Strike and lockout notices filed this year decreased by 18%, or 230 notices, compared to the 288 cases last year.

—The 45% increase in preventive mediation cases, from 132 cases last year to 191 this year.

Magsalin said all these indicated management's and labor's willingness to explore all legal and peaceful measn in setting labor disputes.

Tourist Protection Group Formally Activated

HK1803110791 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 18 Mar 91

[By Restie de Quiros; italicized passage in English]

[Text] The Philippine National Police [PNP] Balikbayan [Filipino Returnee]-Tourist Protection Group [BTPG] was formally activated today. It will provide the necessary protection to tourists and Filipino returnees against extortionists and other criminal syndicates.

According to Lieutenant General Manuel Roxas, PNP deputy chief, the BTPG is comprised of 500 members who were carefully chosen from different PNP units and is headed by Colonel Edgar Galvante. Roxas explained that the group was set up in response to the complaints of tourists and returnees frequently victimized by unscrupulous members of law enforcement agencies and crime groups. BTPG members will be deployed outside the airport and tourist belt areas in Metro Manila and other parts of the country.

At the same time, Roxas warned that those members of law enforcement agencies who are caught extorting from tourists and returnees will not be spared from punishment. He warned that they will rot in jail.

[Begin General Roxas recording] So now we are warning those people that if they do not stop doing these things and they are caught by the Balikbayan-Tourist Protection Group, headed by Colonel Galvante, *General Nazareno promised that they will all be placed in jail.* [end recording]

Thailand

Official To Visit Middle East To Restore Ties

BK2003020591 Bangkok THE NATION in English 20 Mar 91 p A4

[Text] PM's [Prime Minister's] Office Minister M.R. Kasemsamoson said yesterday he would take a trip to the Middle East soon to try to restore Thailand's relationship with countries in the Gulf, particularly in regard to economic cooperation.

Kasemsamonson told THE NATION that the Gulf crisis, capped by the 45-day war between Iraq and the US-led multinational forces, had interrupted relations Thailand enjoyed with some countries and affected Thailand's economic interests there. Kasemsamoson's comment came as the Cabinet yesterday decided to send delegations from the public and private sectors to the region in order to promote Thai business.

The Cabinet also announced that it was considering giving medical assistance and rice to the Kuwaiti government as it is struggling to revive the living conditions of its people. "I think that it's a must for Thailand to actively contribute to the reconstruction of the region after the war, particularly by sending humanitarian assistance," Kasemsamoson said.

Foreign Minister Asa Sarasin also said that restoration of ties with countries in the Middle East was now a top foreign policy priority. Asa stressed that it was imperative for Thailand to revive direct contacts with Kuwait or face being isolated in the light of other countries being entrusted by the Kuwaiti government with reconstruction efforts in Kuwait. Britain has been given most of the construction contracts by the Kuwaiti government since the end of the war.

Kasemsamoson, who has been appointed to look after an intra- agency body on restoring ties with the Middle East, did not mention dates for his visit or the countries he would visit. However, an informed source said Kasemsamoson would visit Saudi Arabia, Kuwait and the United Arab Emirates.

The Foreign Ministry on Monday advised the Thai Embassy in Riyadh to send staff to Kuwait on a fact-finding trip following its liberation last month, Foreign Ministry spokesman Sakthip Krairoek said. Sakthip said the Foreign Ministry would need a report by the fact-finding team before the ministry could reactivate the Thai embassy in Kuwait. The team is expected to discuss with the Kuwaiti authorities the current situation inside Kuwait and efforts to rebuild the country after seven months of sometimes brutal Iraqi occupation.

It is considered crucial to open the Thai embassy in Kuwait as soon as possible in order to facilitate the government's plan to send Thai workers to help reconstruct the country.

Last Friday, Saudi Charge d'Affaires to Thailand 'Abdallah Al-Shubayli met Foreign Minister Asa Sarasin to take a look at current Thai-Saudi ties, the spokesman said. Asa reportedly reassured the Saudi envoy that the caretaker government would settle the remaining issues which have strained ties over recent years. The minister was apparently referring to the unsolved murder of three Saudi diplomats in Bangkok last year. According to Sakthip, the issue was still the Saudi's top concern.

Prime Minister Outlines Government Policies

BK2003011591 Bangkok BANGKOK POST in English 20 Mar 91 pp 1, 3

[Text] Prime Minister Anan Panyarachun yesterday pledged government efforts to resolve protracted problems involving state enterprise labour unions. He said whatever "remedial action" is taken will be in the public interest.

Addressing the Government's first press conference after lunch with news media representatives, Prime Minister Anan promised his Cabinet will continue its free enterprise policy, reduce protectionism, cut red tape and seek more foreign investment.

Mr Anan's pledge to tackle the union issue followed comments by Air Force chief ACM [Air Chief Marshal]

Kaset Rotchananin and Army chief Gen Suchinda Khraprayun last week that state enterprise unions must be removed from the Labour Relations Act.

The Prime Minister said the Government has yet to study in detail the factors which allowed state enterprise unions to become problematic. "We all recognise that, in the past, the state enterprise trade unions have become a serious problem," the Prime Minister said.

The Government, in consultation with the National Peace-keeping Council, [NPKC] has not been able to establish definitive conclusions. "Whether or not that problem arose from the letter of the law, ministerpretation of the law, or non-enforcement of the law, is debatable," Mr Anan said.

The Government will look into the problem and take necessary measures to solve it. The Labour Relations Act might be amended if it is found the problem results from the law itself. "If it's a problem with enforcement, then we may have to adopt measures which will safeguard the sanctity of the law."

Mr Anan urged state enterprise labour leaders to refrain from overreacting to the Government move. The issue will need extensive debate within and outside government circles. "Everybody has good intentions and has no wish to do away with anybody. The Prime Minister will try to ensure action taken will be beneficial to all." Mr Anan said.

Economic and social issues will be among priorities addressed by his Government in its short term. "The Government has no direct mandate from the people. We are an appointed Government and it is expected that our responsibility in governing the country should end some time towards the end of the year or, at most, three months after that. "It is my intention to set a national agenda covering a period of 12 to 14 months," Mr Anan said, adding his Government's policy, therefore, will aim at dealing with immediate problems and laying a basis for its successor.

On economic issues, the Government will advocate a free enterprise system, encourage free competition by business and prevent monopolies in the public and private sectors. Thailand has become more integrated into the international economic system. "We believe in competition and quality. These are the policies we hope to work on and hope to be the direction of the future." It is also government policy to focus on issues related to women, children, primary education and poverty.

"These are some of the issues to have priority attention," Mr Anan said. He said there are some grey areas of responsibilities between his Government and the NPKC on political issues. He said, however, he personally did not want to draw a line between the Government and the NPKC.

"I do not draw a dividing line of areas in which I should not trespass on areas where they should not trespass. I do not work on that basis. I adopt a rather pragmatic approach. You may even say that I try to adopt the method of management by result. We are here under special circumstances. These do need special solutions."

He said the Government and the NPKC have consulted in their work and he is happy with the relationship. "I think that these grey areas, however grey they may be, will have to go through the process of consultation. It is not right for the Government to operate in total isolation. That's not my idea, not a pragmatic approach."

He said he had selected his own Cabinet members, giving preference to their honesty, familiarity with the bureaucratic system and their ability. His Cabinet will try to prove to the people that they will not do anything to discredit themselves. "We have to prove beyond any doubt that we are honest, that we have integrity and that we have the interests of the people at heart. So each one of us will have to keep monitoring his own activity and his policy. It's my intention that even though we are not elected representatives, even though we do not claim that we represent people, it is our duty and responsibility to go down to the people and find out what their concerns are, what their problems are and what they are thinking about and if their thinking pattern matches that of the people. If not, it's we who will have to adjust ourselves. I take this seriously. I think that at the end of the day, we'll stand to be judged by you if we have kept the promises we gave you and we hope that we will be acquitted," Mr Anan said.

He promised to do away with outdated laws and bureaucratic red tape, saying that a committee has already been appointed to study and recommend action to the Government on the issue. He said the Government will support foreign investment and try to enhance the integration of the investment and implementation of major development projects. His interim administration will not touch big development projects approved by the previous government but will look at new projects to ensure decisions are made after thorough technical and legal studies.

On the Cambodian issue, Thailand will continue to uphold the agreement reached at the Paris International Conference and the framework of the United Nations. Thailand will also maintain friendly relations with Indochina and Burma.

Promises Business Deregulation

BK2003022391 Bangkok BANGKOK POST in English 20 Mar 91 p 17

[Text] Prime Minister Anan Panyarachun says his Government will deregulate and eliminate laws and regulations restricting private business.

In his first official press conference at Government House, Prime Minister Anan said the Government will also encourage free competition in the domestic market. "The existing mechanism to control commodity prices is not effective enough and needs improvement. I personally believe free competition is an efficient mechanism in controlling goods prices. If the Government encourages more competition in the domestic market, the control of goods prices will be more effective. However, this cannot be successful overnight; it will have to be implemented step by step."

He said there are many regulations and laws, particularly the Commercial Code, which hinder business and make the Government's administration inflexible. "The Government intends to deregulate and decontrol business operation. I have asked Deputy Premier Michai Ruchuphan to study where and how to improve or amend—or even abolish—existing laws and regulations."

Regarding investment in the country, Mr Anan said that in recent years Thailand could attract more foreign investors than other countries in the region. "The trend slowed down last year. This is because our country had a number of constraints which discourage foreign investors. These include the infrastructure bottleneck and the shortage of technicians, engineers and managers. The public sector was also inefficient in serving investors. These need improvement. This Government will, therefore, encourage investment in infrastructure facilities, such as ports, airports and the skytrain. The Government will go ahead in implementing these projects. Where any project contract has been signed, the Government will honour the signed contract and allow investors to implement it. On projects for which contracts have not been signed, the Government will try to manage the signing of their contracts as soon as possible."

Mr Anan said the Government also has a policy for investment in infrastructure projects to be open wide for private participations by foreign and local investors. However, he said there is still a problem in listing project priorities. "Moreover, these projects are under the jurisdiction of various ministries. I have asked Transport and Communications Minister Nukun Prachuapmo to work out an integrated system of infrastructure project investment. Decisions in investing in big projects will be also made transparently."

Mr Anan said the tourism industry has been adversely affected since the Persian Gulf war erupted. "Foreign tourists, particularly businessmen who have high buying power, cancelled their trips on safety grounds. But now that the war is over I believe the situation has been returning to normal. Reports I have received show occupancy of hotel rooms has increased gradually by 10 percent - 15 percent so far." He said his Government has already approved a special budget for tourism promotion.

Foreign Minister on Ties With Indochina, Burma

BK2003014591 Bangkok THE NATION in English 20 Mar 91 p A8

["Excerpts" of interview with Foreign Minister Asa Sarasin by THE NATION's regional desk; date, place not given]

[Text] [THE NATION] During Chatchai's administration, there was a plan to promote closer ties with immediate neighbouring countries through people-to-people contact. There was also a draft paper on how the project will be implemented.

[Sarasin] Yes, we will continue the programme. We will give more importance to our neighbouring countries, especially Laos. I think Thailand and Laos should strengthen their cooperation in every field for the mutual benefit of both countries. In the past we only wanted to sell goods and consumer durables to Laos, while overlooking other aspects. We cannot do that now. The private sector should not just view the country as a means for exploitation.

There are other fields that Thailand and Laos can cooperate, for example in academic assistance. Laos is the only country in the world that we can communicate with without a language barrier. If a Laotian wants to study in other countries, he would have to first study a foreign language for about two years before he can embark on an academic source. But in Thailand there will be no such problem. In this aspect then, we can assist Laos.

[THE NATION] Was there any consultation between the Army and the Foreign Ministry on the Laotian call for the upgrading of the existing joint Thai-Lao committee on border policy, currently chaired by the army chief, into a national committee?

[Sarasin] Yes, the Army and the Foreign Ministry have already consulted one another on that issue. Both sides supported the Laotian initiative, and agreed to upgrade the committee into a national institute.

[THE NATION] Does it mean that the direction of our foreign policy with neighbouring countries will from now on concentrate more on bilateral cooperation in technical and academic fields?

[Sarasin] Yes, it will.

[THE NATION] Especially with Laos?

[Sarasin] Yes, and it will also include Burma, Vietnam and even Cambodia. But for Cambodia, we will give assistance and cooperation to all the four parties. It won't be limited to just one faction.

[THE NATION] If we look at face value, the new policy is very constructive. But how can we incorporate or implement the policy, while Thailand still has great concerns over national security? Each of the neighbouring countries still has its own domestic problems, and there are still pending border problems that have not been solved.

[Sarasin] The threat posed to Thailand has subsided a lot during the past ten years. With the withdrawal of Vietnamese troops from Cambodia (in September 1989), the security threat has been further reduced. Vietnam now is more interested in developing economically. The internal threat, if there is any, is just minimal. All countries in the region are now concentrating more on how to improve the living conditions of their own people.

Yes, we are now in the position to assist our neighbouring countries. In relation to Cambodia, there will be a solution soon to the conflict.

[THE NATION] Could you outline the steps the present interim government will take on the Cambodian peace process?.

[Sarasin] The four Cambodian factions have to come to an agreement among themselves first. The outside powers, especially the Soviet Union and Vietnam, can play a supporting role by pressuring Phnom Penh to accept the United Nations' peace proposal. They (Soviets and Vietnamese) should leave aside their personal interests in the future of Cambodia. The country should be allowed to gain full independence and sovereignty without the domination and interence of foreign countries.

[THE NATION] Will the present government still maintain contact with Phnom Penh?

[Sarasin] I will put it this way. As a peace-broker, Thailand will treat the four Cambodian parties equally, and as such we will continue to keep contact with Phnom Penh. I want to emphasize that Thailand will not cut off contact with Phnom Penh. We will pursue the same line of diplomacy as the previous government. But it does not mean that I will personally fly to Phnom Penh.

[THE NATION] Do you expect any progress at the upcoming April meeting in Jakarta between the four Cambodian factions?

[Sarasin] The Cambodian problem is a matter the four parties have to resolve among themselves. Now they have to determine and take into account what their interests are. If they cannot agree in Jakarta then the consequences would be tantamount to increased fighting inside the country.

However, the role of the outside players especially Thailand, China and Vietnam is very important to accelerate the peace settlement. The normalization of Sino-Vietnamese ties in particular can contribute or accelerate the peace process.

[THE NATION] Will Thailand continue its active role in the tripartite consultation with Vietnam and China to help contribute to the Cambodian peace settlement?

[Sarasin] We would not be that active as before. We will move within the UN peace plan and the framework of the Paris International Conference on Cambodia. We must be careful not to be euphoric prematurely as the previous government, although our objectives remain the same.

Thailand will play a supporting role in assisting the two co-chairmen of the Paris conference (Indonesia and France). In this regard, the United States shares the same views with us, and shows its intention to see a quick settlement. The US wants the Jakarta talks to be successful.

[THE NATION] How do you view Japan's new Cambodian peace initiative which is designed to guarantee the compliance of the four parties to the UN-sponsored ceasefire process during the interim period pending the general elections?

[Sarasin] At first we have to accept the importance of the role of Japan. I think Japan should assert itself more in regional politics. Regarding its initiative on the Cambodian conflict, we are ready to support any effort that is within the framework of the UN's Perm Five (the five members of the UN Security Council) and the Paris International Conference on Cambodia. It will be very easy if all the players in the conflict exercise their role within the internationally-recognized framework.

[THE NATION] Will Thailand link economic cooperation with Vietnam subject to the settlement of the Cambodian conflict?

[Sarasin] I think we should not concentrate much on that linkage. Our private sector is already in Vietnam. I want to assure Vietnam that we will not deviate from our previous policy with the country. I think we are moving in the right direction. Thailand and Vietnam can cooperate in various constructive ways for the mutual benefit of both countries. The planned summit meeting between leaders of the two countries has not been cancelled.

Editorial Lauds Moves in Indochinese Relations

BK1503050391 Bangkok THE NATION in English 15 Mar 91 p A10

[Editorial: "Thailand and Indochina"]

[Text] The Thai troop withdrawal from the contentious Ban Rom Klao area on the Thai-Lao border, which began on Wednesday, was the most encouraging development in recent months. Yesterday an artillery base was closed down and 105-mm artillery pieces were pulled out from the border areas. At the same time Laos reciprocated by withdrawing its troops from outposts opposite Ban Rom Klao.

The troop withdrawal agreement was reached during an official visit to Laos by Army Commander Gen Suchinda Khraprayun on March 11- 12. Gen Suchinda and his Lao counterpart have also agreed to exchange defence attaches, perhaps starting as early as next month.

Since the tragic border battle over Ban Rom Klao in early 1988, Bangkok and Vientiane have agreed to try to settle the border dispute through diplomatic means. But when diplomacy made little headway, both sides continued to deploy troops in the volatile border area. This in turn created mutual distrust and increased tensions whenever troops from either side ran into each other while on patrol in the rugged mountains.

The troop withdrawal this week will remove this major flash point from Thai-Lao relations. Troops confronting each other in other areas along the border should also be withdrawn soon. The troop withdrawal and the exchange of visits by military and government leaders, can build confidence in each other's sincerity toward fostering a peaceful, brotherly Thai-Lao relationship. In spite of Ban Rom Klao and other disputes in the Thai-Lao relationship, most Thai people still see Laos as a friendly neighbour sharing the same Buddhist culture and having had close ties throughout history.

The timing of Gen Suchinda's visit to Laos early this week was in itself significant. It showed that he and his military colleagues on the National Peace-Keeping Council attach a high priority to improving ties with Laos as well as other neighbours.

Supreme Commander Gen Sunthon Khongsomphong disclosed yesterday that he wants to visit Vietnam soon in order to improve relations with the Vietnamese military leadership. He will propose an exchange of defense attaches between Thailand and Vietnam during his visit.

This is another positive sign in Thailand's relations with Indochina. Thai diplomats alone may not be able to remove all lingering Indochinese doubts about Thailand's sincerity to facilitate the transformation of the war zone in Indochina into a trade zone. Before such a welcome transformation can take place, all the remaining questions, particularly those relating to security, must be confronted and tackled head-on.

One extremely sensitive issue that generates a great deal of mutual distrust is the long-standing allegation from both Vientiane and Hanoi that Thailand has provided sanctuary and military training to right-wing remnants of the toppled Lao and Vietnamese regimes. In the past these armed right-wing guerrillas have sometimes been arrested during their ill-fated forays into Laos and Vietnam and reportedly confessed to operating from bases on the Thai border.

This is a serious allegation that the Thai military must investigate. If there is indeed any such camp of Lao or Vietnamese right-wingers on Thai soil, it must be closed immediately and all the guerrillas deported without delay. Thailand has nothing to gain from this subversion business, especially at this time when Thailand is tring to dispel Indochinese distrust.

Laos and Vietnam, on their part, should assure Thailand that they will not support any Thai communist movement and, more importantly, should cooperate with Thailand in the repatriation of Lao and Vietnamese refugees stranded in holding centers in Thailand.

When Thai-Lao and Thai-Vietnamese relations have improved, it is possible that these three countries can cooperate in helping to bring the 12-year-old Cambodian conflict to an early end. If leaders of the four warring Cambodian factions cannot or will not come to terms with one another, and even if Thailand may disagree with Laos and Vietnam on how to end the Cambodian conflict, this is no reason for the three countries to stop trying to improve their ties.

With active cooperation among the three countries' military leaders, Thailand's relations with both Laos and Vietnam can grow warmer. This will make the transformation of Indochina into a peaceful trade zone one step closer to reality.

Military Warns Burmese Rebels on Staging Battles

BK1903092191 Bangkok THE NATION in English 19 Mar 91 p A3

[By Dome Suwawan]

[Text] Chiang Mai—A local Thai military commander has warned two warring Burmese ethnic forces not to violate Thai territory if they do not want to face military retaliation.

Maj Gen Phonprasoet Chunlasawek, commander of the Chiang Mai-based Task Force 327 said yesterday that Thai authorities have passed strong messages urging both the Mong Tai Army [MTA] of opium warlord Khun Sa and the rival United Wa State Army against staging battles inside Thailand.

As of yesterday the MTA was reportedly retreating from the Thai- Burmese border near Ban Kaeng Yung in Chiang Mai's Mae Ai District, while the Wa still have not yet moved, according to informed sources along the border. The sources said paramilitary companies stationed at Ban Kaeng Yung and nearby Doilang have taken stringent measures checking people commuting in and out of the area, one of the border passes between Thailand and Burma.

Local villagers told THE NATION that the two forces fired on one another with heavy and small shells every hour after small intervals. Some of the shells spilled into Thailand and six houses were destroyed in the crossfire, they said. They added that 14 villagers and six Thai paratroopers were wounded during the incident, and some local residents had fled the fighting scene to Fang and Mae Ai District seats.

Informed sources cited intelligence reports as saying that both the MTA and the Wa have suffered heavy losses in the last clashes between March 14-18. At least 42 MTA troops were killed and 28 wounded while the Wa lost 32 fighters, according to the sources.

The MTA and the Wa have mobilized thousands of their troops for military operations against one another since the end of 1989 to gain supremacy over the rugged mountain range of Doilang along the Thai border, considered one of the most important trafficking routes for drugs and black-market goods.

Article Analyzes Chawalit-NPKC 'Split'

BK2003025791 Bangkok THE NATION in English 20 Mar 91 p A8

[By Somphong Kitthinaradon]

[Text] When leaders of the New Aspiration Party [NAP] and top brass from the National Peacekeeping Council

[NPKC] were about to end a crucial meeting last Saturday, one of the NAP leaders told the generals: "We are still brothers and friends; we are always available if you need our advice."

The kind words would have been redundant in the past when the two sides saw eye to eye on the common goal of eradicating "parliamentary dictatorship"—a term used to refer to the political control of parliament by Chat Thai-led politicians.

After leaving the meeting, ex-army chief Gen Chawalit Yongchaiyut, leader of the NAP, seemed to think that his political boat had crossed to the opposite side of the river from the NPKC leaders. The talks last Saturday failed to patch up major differences between the two sides over a set of rules for rebuilding the parliamentary system.

In a letter to NPKC chairman Gen Sunthon Khongsomphong, dated March 16, Chawalit outlined his five-pointed proposal, which included retaining the conventional parliamentary system and amending the political party law to help smaller parties contest in general elections. The letter was leaked to the Thai press over the weekend.

The press generally read Chawalit's proposals as an objection to the so-called "separation of powers" system in which elected MPs [members of Parliament] cannot simultaneously hold Cabinet posts. When asked for clarification by a friend on whether there is indeed a split between NAP and the NPKC, a key member of NAP replied: "It's a split of opinions." And when the friend wondered out loud, "What in the world is the difference between a split of opinion and a split?", the NAP member just laughed. Differences of views between the two sides have surfaced from time to time since the Feb 23 coup which ousted the Chatchai administration—their common political enemy.

Chawalit's letter to the NPKC chairman, after the inconclusive meeting last Saturday, provided some clues to their differences. In the first of the five proposals, Chawalit, who stepped down as both army chief and supreme commander in March 1990 to make good in politics and open the way for the rise of the present group of military leaders, reminded the NPKC to bear in mind the public's aspirations on how it should rule the country and when it should return power to the people.

Chawalit had earlier told the military leaders that they should hold on to governing power for only three months and then schedule a general election to be held at the end of the second three-month period (in August). At first it seemed that the NPKC accepted this idea. NPKC deputy chairman and army chief Gen Suchinda Khraprayun told a group of journalists one day after the coup that the NPKC intended to return the power after six months. But in the interim constitution, the deadline for holding the next general election is within this year, or next April if the drafting of a new constitution is delayed and the election cannot be held within this year.

The NPKC's intentions to control the Interior Ministry and the Communications Ministry, the differences of opinion on when martial law should be lifted and the selection of nominees to the national assembly also divided Chawalit and his party from the NPKC leaders.

Chawalit advised that the military presence in the Anan Cabinet should be minimal. Eight NPKC men were sent to hold Cabinet posts. Chawalit would like to see martial law lifted as soon as possible, whereas the NPKC wants to maintain it until after the promulgation of the new constitution to deter possible political trouble. And on the composition of the National Assembly, Chawalit recommended the nomination of leaders of all political parties and some former representatives from 72 provinces for the royal appointment to the assembly, but the NPKC chose only 11 ex-MPs, one former leader, and 148 military officers for the 292-member assembly.

Another turning point came when the two sides got down to the details of a package of rules recommended by a group of NPKC legal advisers for use as the framework in the drafting of the new constitution. Actually, the principle of separation of powers in itself was less controversial than some restrictions which would amount to increasing the powers of the appointed senators while curbing those of elected MPs. Under the proposed constitutional framework, the new constitution would give appointed senators and elected MPs equal power in nominating the prime minister and in ousting him in a no-confidence vote.

If the NPKC has its way, the appointed Senate will likely be dominated by a majority of high-ranking military officers and government officials, just like in the recently formed national assembly. The Senate will become a power bloc representing the interests of the military and the bureaucracy.

The picture becomes clearer with the recommendations that permanent officials (including military officers) can hold political posts without resigning from their government posts, whereas MPs must quit the House before taking up Cabinet posts. Moreover, the legal advisers have also proposed a provisional article which would prohibit MPs from taking Cabinet posts in the first four years of the new constitution.

Less controversial is the proposed stipulation that the prime minister can be either a party member or a non-partisan figure. The 1978 Constitution, scrapped by the NKPC in the coup, also allowed a non-partisan figure to hold the premiership. But it didn't give the appointed senators the power to take part in selecting a prime minister or debating and voting in a no-confidence debate. Government officials and military officers were barred from holding Cabinet posts under the previous Constitution. And MPs could hold political posts without resigning from the House. Advocates of the new constitutional framework argue that the new system would break the vicious cycle of unscrupulous politicians buying their way into the House and the Cabinet. Chawalit argued in his letter to Gen Sunthon that the vicious cycle should be broken by plugging loopholes in elections and installing mechanisms to improve the quality of MPs.

Critics of Chawalit's stand can point out that now that he is the leader of a new party, it is in his interests to resist changes to the political system in which he sees he will have a good chance of gaining power. Regardless of whether this is a conflict of interests or an ideological difference with Chawalit and his party, the NPKC leaders will find themselves in a more difficult position if they stick to the proposed constitutional framework. Chawalit has cleverly sided with the growing public opinion unhappy with the novel political changes the NPKC is trying to introduce and has distanced himself from the NPKC leaders.

Trouble will arise if the NPKC leaders misread the public's passive acceptance of the Feb 23 coup as a carte blanche to impose a new political system of its own design. The public was merely fed up with all the corruption inside the Chatchai administration and wanted some improvement in the political system. What the public hopes to see is a parliamentary system free from exploitation by the wealthy, unscrupulous politicians. But the price of such a political clean-up should not be in the form of domination of the new system by the military and the bureaucracy.

Whether or not the split between Chawalit and the NPKC leaders has reached a breaking point remains unclear. A key member of the NAP said his party leader warned the NPKC leaders, out of good intentions, not to hold on to power indefinitely.

The party still hopes that some generals in the NPKC may soon change their minds about the constitutional framework. Otherwise, said the NAP member, "we will have to walk different paths." The trouble is that some of the NPKC leaders have publicly advocated these ideas of a "separation of powers" system and they will find it extremely difficult to back down. But some compromise may still be possible. In any case, things will never be the same again between Chawalit and the NPKC leaders after the fall of their common enemy.

'Crucial' Aviation Talks With U.S. Begin 18 Mar

BK2003070591 Bangkok BANGKOK POST in English 19 Mar 91 p 17

[Text] Thai and US aviation authorities began the first day of a crucial three-day meeting to discuss a dispute over airline landing rights.

Civil Aviation Department deputy director-general Rungrot Siprasoetsuk, who heads the Thai delegation, said he handed over the Thai proposal to the six-member American delegation, led by Office of Aviation Negotiations director Paul Wisgerhoff.

Mr Rungrot said highlights of yesterday's meeting touched on general issues, like flight frequency and capacity. He said both sides would resume meetings today after studying each other's proposals.

The meeting was considered vital to pave the way for future talks aimed at striking a new bilateral aviation deal before the March 31 deadline set by Thai authorities. The aviation deal involved American airlines cutting back its flights from 38 a week to 28, including seven cargo flights. The flight cutbacks followed unsuccessful attempts by both parties in past months to agree on a new bilateral aviation deal in place of the previous one which expired last November. The previous deal was considered "unfair" by the Thais, who were seeking a more equitable airline agreement with the US.

Several senior Thai authorities appeared to have adopted a "more flexible approach" in talks with the American counterpart to maintain the country's interests. Four US airlines now were operating to Thailand—United, Northwest, Delta and cargo carrier Federal Express.

Meanwhile, an informed source said Transport and Communications Minister Nukun Prachuapmo was expected to seek Cabinet approval today to promote Mr Rungrot, now a C-9 official, as deputy performance secretary, a C-10 post, in charge of telecommunications and aviation. If approved, he would succeed Mr Mahidon Chandrakun, who was appointed permanent secretary.

Justice Ministry To Set Up Trade Dispute Court

BK1903060691 Bangkok BANGKOK POST in English 16 Mar 91 p 2

[Text] The Justice Ministry is planning to set up a new court to specially handle lawsuits involving intellectual property rights and international trade disputes to give more confidence to foreign investors.

Justice Minister Praphat Ouaichai said the plan for the new court was part of a 10-part policy statement delivered to senior ministry officials at a meeting yesterday. Mr Praphat said the court would be authorised to specifically handle lawsuits involving disputes over copyright, patents, trademarks, and foreign investment.

The ministry also plans to open another new court to handle cases involving family disputes and juvenile offenders. The court would be aimed at providing better protection for marriages and the family and fostering family relationships, Mr Praphat said.

Department Grants Licenses for Cigarette Imports

BK1603020391 Bangkok BANGKOK POST in English 16 Mar 91 p 13

[Text] The Excise Department has opened the way for foreign cigarette sales with the granting of licences to five companies to begin imports and distribution.

The five companies all agreed to begin sales by mid-year, said a representative of one of the companies.

The granting of the licences effectively squashes the Thailand Tobacco Monopoly's [TTM's] hopes of getting the exclusive rights to import and distribute foreign cigarettes. Deputy Director-General Angknani Worsasap said other companies which qualify could apply to the department for licences. "There is no limit on the number of licences which can be issued as long as the applicants are qualified," he said. The department requires that applicants be appointed officially as distributors by the foreign cigarette manufacturers.

The five companies receiving licences yesterday were: Borneo Group-affiliate Butler & Webster Co to import 555, Lucky Strike and Kent; Diethelm Group affiliate Sell Express Co to import Marlboro; Ti Trading Co owned by Khan Prachuabmoh to import Winston, Salem, More and Camel; Thai International Products Co to import Japanese brand Milk Seven; and A&D Sell Co to import Dunhill, Rothman, Cartier and St Mauritz.

Mr Angkanee said the Excise Department expected about 60 million packs of foreign cigarettes to be imported each year, generating about 90 million baht in excise tax for the Government. The foreign cigarettes are expected to be priced at 37 baht a pack.

The CIF [cost, insurance, and freight] cost of each pack will be 10 baht, the import tax three baht and the excise tax 18 baht or 55 percent of the retail price excluding the import tax. The licences are renewable on a year-by-year basis.

As foreign cigarettes can now be imported legally, Mr Angkani said the importers would find it in their interest to prevent smuggling.

The approval of the licences ends the TTM's efforts to win exclusive rights to import and distribute foreign cigarettes.

Shortly after the military coup on February 23, the TTM submitted a letter to the National Peace-keeping Council asking it to review the previous administration's decision to allow private companies to import foreign cigarettes. It asked that the NPKC apoint it the sole importer and distributor of all foreign cigarettes. The NPKC did not reply to the request so the Excise Department decided to go ahead and grant licences to the private companies.

Mr Angkan said the Excise Department would carry out checks to ensure packs of foreign cigarettes carry health warnings. "The importers must also show documents that the cigarettes have been imported from the country of origin. We will not allow cigarettes produced by plants in other countries to enter Thailand", he said.

Government To Submit New Drug Bill to Assembly

BK1903090391 Bangkok THE NATION in English
19 Mar 91 p A3

[By Yindi Loetcharoenchok]

[Text] The government will soon submit to the military-appointed National Assembly for legislation an anti-narcotics bill, which empowers the authorities to confiscate convicted drug traffickers' assets.

The message was conveyed by Prime Minister Anan Panyarachun to U.S. Assistant Secretary of State for East Asia and Pacific Affairs Richard Solomon, who made a courtesy call on the premier yesterday morning.

PM's [Prime Minister's] Office Minister M.R. Kasemsamoson Kasemsi and Foreign Minister Asa Sarasin, both of whom attended the meeting yesterday, quoted Anan as saying that the Thai Government fully supported the enactment of the law, and planned to submit the bill at the earliest opportunity after the interim legislative body has its first meeting on March 28. "We (Thailand) are not making the move to please the United States," said Kasem, "but for the good of all humanity."

Foreign Minister Asa said the United States was "very pleased" with the Thai move, and that the legislation will also benefit Thailand, which "has been internationally accused of being the centre of these (narcotic drugs) activities." "Thus we need a stringent measure to suppress the activities, for the good of Thailand," he added.

The previous House of Representatives had passed two anti-narcotics bills in their first readings in June last year. The two bills, one of which would authorize the imposition of compulsory rehabilitation on drug addicts, were under scrutiny by the House's ad hoc committee when the House was dissolved by the military coup on Feb 23.

Commenting on U.S. allegations of Thai authorities being involved in the illegal drug trade, Asa said "Thailand has already informed the United States that such allegations were groundless," and that Washington fully understood "our cooperation in suppressing drug trafficking."

President Bush, in his March 1 report to Congress, said the United States had expressed its concern that the "network of relationships, developed for security purposes, between Thai military and government officials and ethnic groups, which traffic narcotics from Burma, creates an environment in which narcotics- related corruption exists."

Vietnam

Reportage on Cambodian Arms, Settlement Issues

NHAN DAN Urges End to Arms Aid

BK2003095091 Hanoi VNA in English 0713 GMT
20 Mar 91

[Text] Hanoi VNA March 20—The national daily NHAN DAN in a commentary today expresses the hope that all Cambodian parties and all countries concerned would soon give their formal commitment to bring about a ceasefire in Cambodia and stop all foreign military aid to Cambodian factions. This, the paper stresses, will accelerate the process for a solution, stop the civil war and bring back peace and stability in Cambodia and Southeast Asia as a whole.

The paper says that in the past several weeks, the Vietnamese Foreign Ministry's statement on the Cambodian question has been warmly received by large sections of public opinion in the world which acknowledges Vietnam's sincere desire to reach an early overall political solution to the Cambodian issue.

NHAN DAN continues: The world sympathy and support, though differing in extent, show the imperative need to accelerate the process toward an overall political solution. It is regrettable that while busy diplomatic activities are undertaken in the region and the world, the stepped-up military activities of the Khmer opposition factions have caused more deaths and sufferings to the civilian population.

The increased military aid of foreign countries to the Cambodian opposition factions and the latter's rejection of a ceasefire prove that they are still bent on a military solution. Thus the civil war will continue, more blood will be shed against the will of the peace-loving people in the world and the explicit desire of many governments to solve the question by peaceful means. At this juncture, it is imperative to effect a ceasefire and stop foreign military aid in order to reduce the intensity of the civil war and eventually end it altogether, thus creating favourable conditions for all Cambodian parties to settle their internal questions by themselves. That is a very important step in the process toward an overall political solution to the Cambodian issue.

Total Ban on Arms Urged

BK1903134091 Hanoi International Service in English 1000 GMT 19 Mar 91

[Text] Efforts for the settlement of the Cambodian issue are being stepped up. Whether these efforts bring about peace to this country or not remains the question. Here is our radio opinion on this matter:

In these days the process for the settlement of the Cambodian conflict has been accelerated. Many diplomatic activities and visits have been conducted in Southeast Asia. Worthy of note is that those activities were organized right after February 28 when the Vietnamese Foreign Ministry issued a statement on the ceasefire and an end to military aid to Cambodian factions. So far, this statement has been supported by political circle and public opinion in many countries. Assistant U.S. Secretary of State in charge of Asian affairs Richard Solomon is paying a visit to Beijing and Jakarta while Australian Deputy Foreign Minsiter Costello is on the way to Vietnam and Cambodia. Meanwhile, the Japanese Government has announced that its Foreign Minister Taro Nakayama would visit China and Vietnam. All those visits were to discuss the process of the settlement of the Cambodian conflict, including an end to foreign military aid to Cambodian troops. Some countries have already declared not to supply weapons to the Cambodian factions. Mr. Solomon made known that the United States still maintains its stand not to supply arms to the Khmer Rouge. For its part, the Chinese side told Mr. Solomon that it has already ended its arms supply to the Cambodian opposition factions and it would restrain itself if the other side does the same.

Meanwhile, a report from Jakarta said Indonesian Foreign Minister Ali Alatas has announced that in the coming days the two co-chairmen of the International Paris Conference on Cambodia, the foreign ministers of France and Indonesia will meet with members of the Cambodian Supreme National Council to promote the process of settling the Cambodian issue.

Those developments have and are giving hope for an early positive result of the process. In fact there are now enough conditions for settling this issue [as heard]. Most of the countries and parties concerned to the Cambodian issue share the same view, that is to end military aid to the Cambodian factions. If this objective is achieved, a peaceful atmosphere would be created for all parties to restrain themselves so as to sit at the negotiating table together to settle the affairs of their own country. This would be an important step in the process toward an overall political solution to the Cambodian issue.

Refusal to a cease-fire and an end to arms supply to the Cambodian factions would mean a failure on the settlement of the issue. For this very reason, people hope that all countries honor their commitments not to supply arms to the Cambodian factions. If their statements have been strictly carried out, the settlement of the Cambodian issue would be within reach, and diplomatic efforts in South Asia will resulted in peacefully settling the issue.

Radio Urges Early Solution to Issues

BK2003063991 Hanoi Domestic Service in Vietnamese 0015 GMT 18 Mar 91

[Duong Quang Minh's Commentary: "There Must Be an Early Solution to the Cambodian Issue"]

[Text] It is our unswerving policy to indefatigably struggle for an overall political solution to the Cambodian issue in order to quickly turn Cambodia into a peaceful, independent, neutral, and nonaligned country which maintains friendly relations with all nations. It is for this reason that Vietnam has unilaterally withdrawn all of its Army Volunteers from Cambodia as of September 1989. This move has been highly valued by world public opinion, regarding it as a goodwill contribution to the settlement of the Cambodian conflict.

At present, the settlement of the Cambodian issue has entered a decisive stage. All countries and Cambodian parties concerned have reached consensus in most of the problems concerning the international aspects of the Cambodian conflict. Although a number of problems concerning Cambodia's internal affairs have not yet been resolved, there is a good chance to reach an overall political solution based on respect for Cambodia's sovereignty.

Noteworthy is the fact that the danger posed by an escalation of the civil war still remains. The armed forces of Democratic Cambodia, mainly the Khmer Rouge, are intensifying their attacks against the northwestern border region of Cambodia, which comprises mainly residential areas, causing losses in life and property to Cambodian civilians and seriously undermining the peaceful settlement of the Cambodian conflict.

Also, it is worth noting that these atrocities have been encouraged by outside forces. A number of countries have continued to provide the genocidal clique with war means to oppose the Cambodian people.

Therefore, as far as the Cambodian issue is concerned, it is imperative for all warring factions in that country to exert self-restraint, effect a ceasefire, and reconvene Cambodia's Supreme National Council [SNC] formed in 1990 in Jakarta in order to resolve the internal aspects of the Cambodian issue, which cannot be settled by any other country or international organization.

More than ever before, the world community, which has shown constant concern for the Cambodian issue, should take practical and effective steps to prevent a civil war in Cambodia and to create favorable conditions for the SNC to resume its meeting to resolve Cambodia's internal affairs in the spirit of national reconciliation.

Also, more than ever before, now is the appropriate time for foreign countries to implement an initiative put forth by the United States and the Soviet Union on 23 September 1989 concerning the suspension of military aid to the Cambodian parties. By doing so, the countries involved can effectively contribute to the settlement of the Cambodian issue based on the principle of non-intervention in Cambodia's internal affairs, and can help build Cambodia into a peaceful, independent, and non-aligned country maintaining friendly relations with all nations as well as bring about peace, stability, and cooperation in Southeast Asia.

It is Vietnam's policy to fully support the State of Cambodia's desire for an early reconvening of the SNC to resolve Cambodia's internal affairs. We have also made public our readiness, along with Thailand and Laos, to make a commitment not to allow the shipment of foreign countries' arms to Cambodia via our territory. The United Nations will supervise the implementation of this commitment. We have also recommended that the two cochairmen of the Paris International Conference on Cambodia [PICC] and the UN secretary general try their best to help suspend foreign military aid to the Cambodian parties and effect a ceasefire in Cambodia prior to the signing of an overall political agreement on the Cambodian issue.

World public opinion has welcomed Vietnam's proposal. In their letters in reply to Foreign Minister Nguyen Co Thach's letter, both Soviet Foreign Minister Bessmertnykh and UN Deputy Secretary General Ahmad have welcomed Vietnam's withdrawal of its Army Volunteers from Cambodia and unanimously agreed on the need for the world community to prevent foreign countries' arms supply to the Cambodian parties and let the Cambodian people settle their internal affairs in accordance with the UN Charter.

UN Supports Government Stance

BK1903090491 Hanoi VNA in English 0707 GMT 19 Mar 91

[Text] Hanoi VNA March 19—"A cessation of hostilities would undoubtedly help to create a climate conducive to an early and successful completion of the negotiation process," United Nations, in a letter of March 8 in reply to Foreign Minister Nguyen Co Thach's March 1, 1991 letter which asked him to help in effecting a ceasefire and moratorium on arms supplies for all Cambodian factions.

The UN secretary general's letter continued: "It is precisely for this reason that, in my report to the General Assembly last October, I expressed the hope that the Cambodian parties would heed the Security Council's call for maximum self-restraint and that the Supreme National Council would agree, as soon as possible, to a voluntary cease-fire and moratorium on arms supplies. I regret that it has not been possible so far to achieve these objectives but, as you are aware, such measures can only be implemented with the agreement and cooperation of the Cambodian parties and of all other concerned countries. Moreover, the supervision of these measures by the United Nations would require the approval of the Security Council."

"I can assure you, however, that I will continue, in the framework of my good offices, to do whatever I can to promote the peace process and put an end to the suffering of the Cambodian people. I can also ensure your that I shall remain in close contact with the co-chairmen of the Paris conference with a view to assisting them as required in the consultations with the Supreme National Council and in their efforts to achieve an early comprehensive political settlement of the problem".

While receiving the Vietnamese ambassador to Poland, on March 11, the director of the Asia-Pacific Department of the Polish Foreign Ministry said that a cease-fire and moratorium on military aid from outside as proposed by Vietnam is essential for warding off a civil war and paving the way for an overall solution to the Cambodian question.

Speaking to the Vietnamese ambassador in Manila on March 13, the director of the Asia-Pacific Department of the Philippine Foreign Ministry said the most urgent question now is to put an end to arms supplies to all Khmer factions.

Bou Thang, Nguyen Quyet Meet With Units

BK1903084391 Hanoi Domestic Service in Vietnamese 2330 GMT 17 Mar 91

[Text] One of the prominent activities of our people's armed forces last week was the friendly meeting between the leading cadre delegation of our General Political

Department led by Senior General Nguyen Quyet, secretary of the Party Central Committee, vice chairman of the Council of Ministers, and director of the General Political Department of the Vietnam People's Army [VPA] and the leading cadre delegation of the General Political Department of the Cambodian People's Army [CPA] led by Senior Gen. Bou Thang, member of the Political Bureau of the Kampuchean People's Revolutionary Party, vice chairman of the Council of Ministers, and director of the General Political Department.

In the days of their working visit in Vietnam, the leading cadre delegation of the CPA General Political Department held talks with the leading cadre delegation of the VPA General Political Department.

In their talks, Senior Gen. Bou Thang and Senior Gen. Nguyen Quyet informed each other of the situations in their countries and of new achievements scored in the undertaking of building and protecting their fatherlands.

The two delegations were happy to see that the brotherly friendship and the special unity between people and armies of the two countries Vietnam and Cambodia, and between Vietnam, Cambodia, and Laos are strengthening and developing well every day.

In the last days, the leading cadre delegation of the CPA General Political Department visited some army units in military region seven, region five, the naval, air force, and communication academies. They also visited the party committees, the people's committees of the provinces of Thuan Hai, Khanh Hoa, Binh Dinh, and Quang Nam—Da Nang.

Nguyen Van Linh Address on Ethnic Khmers

BK1903133191 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 18 Mar 91

[Text] A conference on tasks concerning ethnic Khmer people in the South was held by the Communist Party of Vietnam Central Committee Secretariat and Nationalities Department and the Council of Ministers from 14 to 16 March in Ho Chi Minh City under the presidency of Comrade General Secretary Nguyen Van Linh. Attending the conference were Comrades Vo Van Kiet, Dao Duy Tung, Mai Chi Tho, Le Phuoc Tho, and many comrade leaders of our party and state.

Also attending the conference were some secretaries and chairmen from some localities and key ethnic Khmer cadres from some of the southern provinces, districts, and villages.

After the opening speech by General Secretary Nguyen Van Linh, the conferees heard dozens of statements as well as the views of various delegates which clearly pointed out the true socioeconomic life of ethnic Khmer people and petitioned some lines and policies as well as measures to organize and implement lines and policies of the party and state toward ethnic Khmer people.

The southern Khmer people constitute an ethnic minority group of about one million people among Vietnam's 54 nationalities. They live mainly in saline soil areas in the five provinces of Hau Giang, Cuu Long, Kien Giang, An Giang and Minh Hai. They grow only one rice crop per year and their life as yet is still autarkic. As a result, their socioeconomic life is still rife with difficulties.

The ethnic Khmer people possess their own original culture that contributes to enriching Vietnamese national culture. They have long-standing oral and written language traditions. Nearly all of them are Hinayanistic Buddhists. Pagodas are places not only for religious services but also for cultural and artistic activities to teach the national language and conduct religious education and ceremonial functions.

Through various historic periods of the country, the southern Khmer people have become traditionally of the same family and closely united with the Vietanmese national community, especially during the two resistance struggles and the present socialist construction as well.

The conferees heard many views and unaninously agreed with the observations that southern ethnic Khmer people as well as many other minority peoples have made very important contributions to national construction. In the past years, along with their efforts, the state has attentively invested in developing the socioeconomic life of the ethnic Khmer people. As yet, large numbers of Khmer peasants have been allocated ricefields, depending on the tilling ability of each family and the availability of land in each locality. Land has also been allocated by the administration to 440 small and large pagodas to create conditions for monks and bonzes to work and produce. People have been organized effectively in many localities. As a result, more virgin land has been reclaimed for cultivation to create jobs for thousands of Khmer households.

The state and people have invested in water conservancy work, spent much effort and money to build water pump stations and canal networks, and, at the same time, have given some new strains of rice seeds to the Khmer people.

The areas of ethnic minority Khmer people have recently begun to make some progress in the structure of production in terms of specialized crop cultivation and general business. Along with accelerating production, the tasks of motivating monks and bonzes, of education, public health, culture, national defense, and security have also been stepped up continuously, somewhat meeting the demands of southern ethnic Khmer people's social life.

The conferees also acknowledged the slow development of the ethnic Khmer people's socioeconomic life. Agricultural production in saline soil areas is still faced with many problems of water conservancy, intensive crop cultivation, and standards of activities. In particular, cultural activities are still poor in outlying and mountainous regions where illiteracy rates are still high. A lack of teachers and books has limited the results of Khmer and Vietnamese language teaching. There are still few college-level Khmer students, while superstition, customs, and mores are still backward, causing much damage to production and life. Meanwhile, the contingent of Khmer cadres is small and weak. This situation is due to objective difficulties of the economy in general and of the Mekong Delta in particular, and to outstanding problems left behind by history.

The conferees listened to many views of some comrades of the Secretariat and the Council of Ministers, and representatives of various sectors and echelons on the tasks regarding the southern ethnic Khmer people. After three days of scrupulous work, the conference on the tasks regarding Khmer people concluded on the afternoon of 16 March 1991. In his closing speech, Comrade General Secretary Nguyen Van Linh unanimously agreed with the assessment of the conference that this was the first historic conference in several decades on tasks concerning the southern ethnic Khmer people. He said:

[Begin Nguyen Van Linh recording] I would like to exchange with you some viewpoints on the settlement of some specific problems raised by you in this conference. It is of prime importance to concentrate on building the economy in areas where ethnic Khmer people live, but we must attentively link economic development with the formulation of social policies to ensure that the people develop, step-by-step, a commodity economy. If there is not a good social policy on the commodity economy, division between the rich and poor will occur quickly and the gap will continually widen. In building the economy, attention should be paid to the characteristics of areas where Khmer people live. It must, however, be linked with the common economic plans of regions, districts, provinces and the entire country as a whole, with the areas of rice, industrial plants, and crop processing, with the building of water conservancy projects and roads, and so forth.

Since large numbers of Khmer people are living in saline soil areas, the main guideline for solving this problem is to improve soil in close combination with conditions that can be made available in localities. This point has already been raised by Comrade Vo Van Kiet. So, water conservancy is the foremost task. The economy must be built and life stabilized mainly in the spirit of self-reliance, with assistance from higher echelons. Effort must be concentrated on building the material and technical bases in order to have a lasting stable life, and to step-by-step reduce relief aid.

Cultural, educational, and public health care services, as well as improvement of our compatriots' intellectual standard, are of great importance. It is necessary to attach equal importance to the people's material and spiritual life. A proper solution to an aspect of the people's material life will have a positive effect on a certain aspect of their spiritual life. For example, good public health care service may at the same time help cure diseases and eliminate superstitions and bad practices. By the same token, an improvement of the people's intellectual standard may lead to the acquisition and application of scientific and technical knowledge to production operations and may also help train cadres of all types, especially core cadres.

It is of the utmost importance that we formulate policies toward and educate the contingent of cadres of Khmer ancestry to take charge of grassroots establishments. I only want to mention general guidelines. It is up to you to take practical steps. I want to stress the fact that no one can carry out the Khmer ethnic minority people-related work better than the Khmer ethnic minority people themselves. Therefore, we must train all kinds of cadres to take charge of activities at grassroots establishments and other levels.

We have learned that there are not enough party members of Khmer ancestry to help consolidate and develop party, youth union, peasants association, and women union organizations as well as other professional societies in accordance with Resolution No. 8. Apart from the development of grassroots organizations at all levels, it is also our main objective to attach utmost importance to the consolidation of those grassroots establishments, mass organizations, and primary party chapters in areas inhabited by our Khmer ethnic minority compatriots.

According to your reports, besides good party members, bad party members also take charge of many primary party chapters and grassroots party committees. We must bear in mind that it is those party members who maintain direct contact with the people and that those bad party members include not only lowlanders but Khmer ethnic minority people as well. If we do not do anything about this situation, how can we have enough good party members to maintain contacts with the Khmer ethnic minority people?

This means that even though party and state policies and standpoints are passed on by higher echelons to provinces and districts, in the final analysis it is the grassroots establishments that are responsible for implementation. If our grassroots establishments are not properly consolidated and our cadres behave improperly, nurture incorrect ideological concepts, get involved in cases of negativism, maintain an arrogant attitude, and alienate themselves from the people, including the Khmer ethnic minority people, how can we guarantee satisfactory implementation of party and state policies?

Therefore, I call your attention to these issues. The central government is responsible for guidance whereas it is the provincial and district levels which are duty-bound to pay utmost attention to these problems. [end recording].

The comrade also suggested that the Secretariat use the results of the conference to formulate a practical directive on implementing the Khmer ethnic minority people-related work. At the same time, the state must adopt policies aimed at improving our compatriots' socioeconomic life. Based on the views expressed at the conference, it is necessary to set forth short-term and long-term tasks. It is particularly important to work out measures aimed at assisting those households still suffering from food shortages and at supplying fresh water to areas inhabited by our Khmer ethnic minority compatriots, especially those in remote areas and mountain regions.

Finally, the comrade general secretary stressed that the conference is but an initial step. He expressed the hope that all party committee echelons, sectors, administrative organs at all levels, and localities would take prompt action aimed at effectively tackling the above-mentioned issues related to the Khmer ethnic minority people in the southern provinces.

Further Reports on Congresses, Draft Documents

Nam Dan District Holds Party Congress

BK1803101591 Hanoi Domestic Service in Vietnamese 1100 GMT 14 Mar 91

[Unattributed essay: "Nam Dan District has satisfactorily held its grassroots party congresses and its first-round district party organization congress"]

[Text] Nam Dan, the native place of Uncle Ho, was the first district and also the pilot site of Nghe Tinh Province to hold its grassroots party congresses and its first-round district party organization congress. It attained a high identity of views in the discussion of various draft documents of the Seventh Party Congress as well as in the election of delegates to a higher-echelon party congress.

Clearly aware of the importance of the party congresses this time, especially that of grassroots party organization congresses, the Nam Dan District party committee regarded these grassroots party congresses as a key factor for the success of the district party organization congress. To make these congresses a success and ensure their requirements and purposes, the district generated an atmosphere of enthusiasm and confidence among the masses, especially when it came to neatly solving negative phenomena and caring for the people's lives.

Nam Dan was one of the districts with good achievements in carrying out criticism and self-criticism in the party. In the process of implementing Resolution 22 and Decision 240, Nam Dan brought to light many negative phenomena and disciplined 795 party members, including some holding leading positions in the district. It removed over 270 members from the party, took legal actions against 19 cadres involved in serious cases of corruption, and recovered a total of over 12,230 metric tons of rice paddy and 1.2 billion dong in collective debts and corruption-related losses. It is especially notable that party cadres and members set good examples in paying debts to the state.

Never taking things for granted, the Nam Dan District party committee, prior to the start of the district party congress, checked all localities and units in the district to see if there were any pending issues to be settled. A number of backlogged cases were cleared during an inspection in Nam Nghia, Nam Thuong, and Hong Long villages. Actions were taken against violators and local cooperative management boards were reelected. In another matter, the district inspected the welfare situation in a number of villages with difficulties in production in order to have problems settled promptly without allowing any unexpected situations to arise during the between-crop period.

Actually, thanks to efforts made by Nam Dan to strengthen its material bases and invest more in intensive cultivation over the past few years, crop output and its gross production volume were up while much change for the better was noted in the people's lives. During these between-crop months, however, in areas with poor irrigation systems, many households are still underfed. Nam Dan has promoted mutual assistance among the people in these localities. Therefore, none of the above households have had to depend on state assistance. As a result, right from the start of the grassroots party organization congresses, Nam Dan has been able to generate fresh enthusiasm and confidence from among the people.

In order to make these grassroots party organization congresses a success, the Nam Dan District party committee assigned its party committee members and cadres to closely watch each area and each locality to help handle newly arising problems and those aspects of work that are still weak.

Organizing debates and the contribution of views on various draft documents was the most difficult thing facing these congresses. Without careful preparations or satisfactory guidance, the district would not have been able to promote a debate among party members. Cadres sent to help grassroots organizations in Nam Dan prepared a fairly adequate roundup report on suggestions discussed by party members and people over the past three months and selected questions for discussion and contribution of views. Therefore, a rather highly enthusiastic atmosphere prevailed over various grassroots party congresses. The election of delegates to higher-echelon congresses was also smoothly held. Ten days after Tet, 64 grassroots party organizations completed holding their congresses with 168 delegates elected to attend the district party organization congress.

The successful conduct of grassroots party congresses generated a new momentum for the Nam Dan District party organization congress. There were no complaints about the delegates elected. The district party congress lasted for only a day and a half.

Based on the good roundup report on grassroots party congresses and on the recommendations of the congress leadership, delegates concentrated on discussing essential points in various documents such as the strategy for economic development, especially those points dealing with agricultural development and with building a new rural life; the task concerning the building of grassroots party organizations; and the task regarding party cadres and members, social policy, and the human strategy. Many ideas were presented for debate, thus shedding more light on whether delegates opposed or favored certain points of the draft documents.

Aside from the successful conduct of discussions, the district party organization congress also attained a high identity of views. It needed to organize only one round of voting to elect 16 delegates to attend the provincial party congress and there were no illegal votes. Most of the delegates elected got a high number of votes and they were only 4 to 5 votes apart.

During the discussion of various documents and the conduct of grassroots party congresses and the district party organization congress, all the party organizations in Nam Dan paid attention to launching a mass movement for implementating various tasks in production and in building the people's lives. The district as a whole attained planting targets for 6,600 hectares of rice, 1,400 hectares of peanuts, and 400 hectares of hard pepper in the winter- spring season. Rice and subsidiary food crop plants in Nam Dan are growing favorably. Localities have weeded the ricefields for the second time and the industrial crop areas for the first time. Insect infestation has been found in certain patches of ricefields but timely countermeasures have been taken by various localities. Some 4,000 pumps and 12,000 metric tons of insecticide have been prepared for this purpose. A number of rural roads and the 15-A and 15-B highways have been repaired and upgraded.

During the period when the district congress was in session, thousands of youths and people were laboring to strengthen the Nam Trung river bank in anticipation of the coming typhoon and flood season.

At various cooperatives, their 1990 financial accounts were balanced publicly in front of their members. The movement to build a new lifestyle and new culture has developed, especially to practice thrift in funerals and weddings and to carry out family planning. The movement for maintaining political security has been maintained, bringing about new joy and fresh confidence. All these were essential conditions for Nam Dan to achieve success in the district party congress and to develop a new momentum for making headway.

Ha Son Binh Security Forces Congress

BK1903083791 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 16 Mar 91

[Text] On 8 and 9 March, the party organization of Ha Son Binh Province's Public Security Forces held its first-round sixth party congress of Delegates with the participation of more than 80 delegates. The party organization held the congress after the 23 party chapters and three grassroots party organizations directly subordinate to it had finished holding their own congresses.

During the congress, delegates engaged in lively discussions, summed up, and elaborated on issues to which party members and the public had made more than 1,000 suggestions. They also proposed some changes in the various draft documents of the party and suggested that some points of the documents be further clarified. The congress expressed a high level of unanimity with the party's policy of continuing to carry out renovation, as reflected in the draft documents, in order to steadily advance on the path of socialism chosen by the party and Uncle Ho. The congress devoted much time to discussing the appraisals of the situation and the policy of consolidating national security and defense stated in the documents. The congress seriously reviewed the implementation of party work in the local security forces by various party committee echelons of the party organization. The congress also clearly defined its responsibility and resolve to renovate party work in the local public security forces to meet the requirements of the task of safeguarding public order and security in the new situation. This was aimed at enabling the entire forces to outstandingly fulfill all the 12 major tasks of the 1991 security work program of Ha Son Binh's public security forces, thereby firmly maintaining the Outstanding Emulator Banner awarded by the Ministry of Interior to the forces for two years in succession, 1989-1990.

Army Research Department Views Documents

BK1903111391 Hanoi Domestic Service in Vietnamese 1400 GMT 14 Mar 91

[Article by station correspondent Xuan Ngan]

[Summary] The Ministry of National Defense Research Department's Center 75 recently held a three-day first round party organization congress in a lively atmosphere. Delegates to the congress contributed hundreds of ideas to the party draft documents.

Colonel Pham Dinh Dai, deputy director of the center, said that during the past month party chapters of the center have contributed many valuable ideas to the party documents.

Almost all delegates to the congress expressed their identity of views on the party documents. Some of them, however, suggested that the draft platform on socialist construction, the draft strategy of socioeconomic development, the draft political report, and the draft party building task report should be condensed to make them more compact.

"Many delegates held that pressing issues should not be raised in the platform on socialist construction because it is designed for a long-term period. Regarding the party's appraisal of the situation of the nation, many delegates expressed the same concern as the party documents on various prevailing shortcomings."

Concerning the party's five major lessons of experiences, delegates to the congress suggested that "the platform should not describe these lessons in length but should instead point out how our party has developed these lessons since 1975, especially the lesson on solidarity and unity within the party."

It is noteworthy that disunity is prevailing in several party organizations, leading to such negative phenomena as departmentalism, grouping, and violation of party principles. This has created a loophole for opportunists to undermine our party and the revolution.

The congress also animatedly discussed the part dealing with the cadre-related task and the wage policy mentioned in the strategy of socioeconomic stabilization and development up to the year 2000. Some suggested that the wage scale for cadres should be revised to provide them with enough money to cope with the present high cost of living and that the social welfare policy should be amended to ensure social justice.

Discussing the draft document on the party building task, the congress suggested that the party leadership and state management mechanisms should be strengthened. "It is time that leading party members with authority from the Communist Party of Vietnam [CPV] Central Committee and the Council of Ministers down to those at basic party organizations should seriously examine their duties and courageously carry out tasks without fear of losing their positions, thereby setting good examples for their subordinates."

Concerning the draft document on revision of the party regulations, the congress suggested that basic party organization congresses should elect all delegates to congresses at the higher levels and that obsolete regulations should be revised to enhance the quality of party members.

It can be said that all delegates to the first round party organization congress of Center 75 have showed their high sense of responsibility. During the past 40 years and more, many groups of cadres, party members, and combatants of the center have enhanced their loyalty to the party. They have strived to endure hardship and overcome ordeals to satisfactorily fulfill all the assigned tasks. Today, the contingent of party members at the center is firm and steadfast for any new ordeals and is striving to bring their achievements at the congress into full play, thereby contributing, together with people throughout the country, to triumphantly making preparations for the upcoming Seventh CPV Congress.

Vo Chi Cong Speaks to People's Councils Meeting

BK1903151791 Hanoi Domestic Service in Vietnamese 0500 GMT 18 Mar 91

[Text] The Third National Conference of People's Councils opens in Hanoi this morning, 18 March. Attending the conference were chairmen and standing committee members of people's councils and chairmen of people's committees of provinces, municipalities, and special zones throughout the country, representatives of the Council of Ministers and the Vietnam Fatherland Front Central Committee, and representatives of ministries and sectors at the central level.

Council of State Chairman Vo Chi Cong delivered an opening speech appraising the general activities of people's councils at various echelons after one year of implementing the law and regulations on organization and activities of the people's councils. He stressed the striking features that initially effected changes in activities of the people's councils in the spirit of the renovation cause. The chairman also raised pressing issues that must be resolved to enhance the capability of the popularly-elected agencies. He presented orientations and tasks for the people's councils in the days ahead, which are aimed at meeting requirements of the renovation cause.

During this morning's session, the conference heard the State Council's report on activities of people's councils at various echelons since their new term of office delivered by Comrade Nguyen Viet Dung, secretary general of the State Council. The report stressed the implementation of the law and regulations on organization and activities of the people's councils, their achievements after one year of implementing the new law, and the issues and lessons arising from these experiences. The report also outlined key tasks of the people's councils at various levels in 1991.

The Third National Conference of People's Councils will conclude on 20 March.

General Addresses Army Art Sector on Anniversary

BK1903080591 Hanoi Domestic Service in Vietnamese 1400 GMT 14 Mar 91

[Report by Nguyen Anh Trinh with portions recorded]

[Summary] The army's art sector held a solemn ceremony this afternoon, 14 March, at the Ba Dinh Conference Hall to mark its 40th founding anniversary.

"Attending and sharing the joy of soldier-artists were Senior General Le Duc Anh, member of the party Central Committee Political Bureau and minister of national defense; Senior Lieutenant General Nguyen Nam Khanh, member of the Party Central Committee and deputy head of the Political General Department; Lieutenant General Pham Hong Cu, deputy head of the Political General Department; Mr. Tran Van Phat, member of the party Central Committee; Mr. Thai Ninh, deputy head of the party Central Committee's Ideological Department; Professor-doctor Dinh Quang, vice minister of information, sports, and tourism; and many high-ranking officers of various national defense agencies and of those armed services and combat branches stationed around Hanoi." Also attending were "poets To Huu and Chien Huu who were the first to head the Central Art Sector and the Army Art Troupe respectively."

After an army band played the national anthem, "Senior Lt. Gen. Nguyen Nam Khanh, member of the party Central Committee and deputy head of the General Political Department, respectfully read a letter from Council of State Chairman Vo Chi Cong to cadre- and soldier-artists of the entire art sector on the occasion of its 40th glorious anniverary."

Senior Lt. Gen. Nguyen Nam Khanh then delivered his speech. He said:

[Begin recording] "Over the years, various army art troupes have built many generations of soldier-artists loyal to the revolutionary undertaking of the party and the people and have produced many talents both in artistic creation and performance. This contingent of soldier-artists is developing in the armed forces. After being released from military service, many comrades are now working on various civilian jobs involving leadership, management, and art creation and performance for various literary and art sectors in the entire country. The nation and the people have turned out numerous art talents for the armed forces and the armed forces have, in turn, also contributed to uncovering and nurturing many artistic talents for the nation. This is a fine tradition of our country's revolutionary art." [end recording]

The get-together of soldier-artists of various generations became ecstatic when Senior Gen. Le Duc Anh, on behalf of the party Central Committee Military Commission and the Defense Ministry, heartily hailed the achievements and combat exploits of cadre- and soldier-artists of the army art sector since the founding of the first army art troupe at the Tan Trao forest 40 years ago. He said:

[Begin Le Duc Anh recording] "Not only has art performance in general and song, dance, music and stage performances in particular become part and parcel of various talents, but they are also a type of activity that has a collective character with highly-refined, close, and accurate coordination. I hope that all of our art units continue to be an animated and close-knit organization which upholds mutual love and respect among talents of different characters. As soldier-artists, you, comrades, should try to study and steel yourselves in all respects—political, ethical, and professional—if you are to achieve constant and steady development in a career which is subject to a stringent law of natural selection. As for the Defense Ministry, it should pay more attention to providing training, refresher training, and care to the members of this special sector of the armed forces so they can work to the best of their ability. This is to contribute to preserving, fostering, and developing the tradition of dynamism of the Vietnamese nation and the Vietnamese People's Army, thus duly contributing to building socialist people and revolutionary soldiers in the armed forces." [end recording]

Also at this solemn ceremony, Prof. Dinh Quang, vice minister of culture, information, sports, and tourism, said: Although I am now a civilian, I once served in the army. I will never forget the beautiful memories which I experienced during my days of military service.

Deeply moved by the solicitous care by the Party Central Committee Military Commission and the Defense Ministry, Comrade Ung Duy Thinh, member of the Political General Department's song and dance ensembles, spoke on behalf of various army art troupes. He said: On behalf of various army art troupes, I pledge to continue to uphold and develop our role as soldier-artists.

"The solemn ceremony marking the 40th anniversary of the army art sector was concluded with an art program performed by soldier-artists of different generations."

Vo Chi Cong Letter to Art Sector

BK1803142191 Hanoi Domestic Service in Vietnamese 1400 GMT 14 Mar 91

["Full text" of Council of State Chairman Vo Chi Cong's 14 March letter to cadres, performers, and combatants of the army song and dance and theatrical art sector on its 40th founding anniversary]

[Text] Dear Comrades: On the occasion of the 40th founding anniversary of the army song and dance and theatrical art sector, 15 March 1951-15 March 1991, and on behalf of the party and state, I would like to extend my kind regards and warm greetings to all cadres, performers, personnel, and combatants of the sector who are engaged in art works and performances. I would also like to extend my cordial regards to the families of fallen combatants, as well as to all disabled soldiers and those comrades of many generations of the sector who have retired or transferred to other sectors.

As an integral part of the country's revolutionary song and dance and theatrical art, over the past 40 years, the army song and dance and theatrical art sector has operated under the light of the cultural and artistic lines of the Communist Party of Vietnam; under the direct leadership of the party Central Committee Military Commission and the constant guidance and assistance of various responsible organs; with its close attachment to the daily life, combat, construction, and training activities of the armed forces; and with the love, care, and encouragement of our soldiers and people. Cadres, performers, and combatants of various generations of the sector have experienced many difficult and glorious stages of artistic activities. They have always stayed close to our soldiers in all miserable and dreadful places to stage performances to serve them both during wartime and peacetime.

As the art institution of soldiers and for soldiers, your multifarious activities have contributed effectively to strengthening the relations of solidarity between the army and people, instilling or fostering ethical ideals and feelings among cadres and combatants, and improving their cultural and aesthetic standards. Together with other forces in the entire army, you comrades have also contributed positively to the cause of national liberation, unification, construction, and defense as well as to the fulfillment of our internationalist duty.

You are truly worthy of the honorable title soldier-artist because you have created a fine tradition for the army song and dance and theatrical art sector and contributed worthily to the shaping and development of the country's revolutionary song and dance and theatrical art. On this glorious occasion, I would like to warmly commend you, comrades, for the achievements you have recorded over the past 40 years.

Dear comrades, you have contributed positively to the process of comprehensive renovation and to carrying out the present revolutionary tasks in terms of ideology and culture, especially the development of the dignity and ability of revolutionary combatants in the armed forces and the inflexible preservation of the lofty and fine image of Uncle Ho's soldiers among our people.

Standing shoulder to shoulder with all the other cultural and artistic forces throughout the country, you should continue to develop your fine tradition, persistently and creatively implementing the party's cultural and artistic lines, and attaching yourselves closely to the life, fighting, and construction undertaking of our soldiers and people. You should also strive to improve the quality and efficiency of your activities and to step up your work in support of art, thereby contributing positively to shaping and developing Vietnamese socialist art.

You must constantly undergo training and carry on studies in order to improve your political and professional standards and enhance and bring into play all your artistic ability and creativity. You must also ensure unity and mutual love and assistance among yourselves, create many programs and works of high ideological and artisitic quality, and actively make all units in the sector firm and strong in every respect, thereby contributing worthily to the construction and defense of the socialist Vietnamese fatherland.

May I wish you, comrades, good health and many new successes in your artistic works and activities.

My cordial salutation.

[Signed] Vo Chi Cong

Vo Chi Cong Visits to Phu Yen Province

BK1903100991 Hanoi Domestic Service in Vietnamese 2300 GMT 16 Mar 91

[Text] Vo Chi Cong, member of the Political Bureau of the Communist Party of Vietnam [CPV] Central Committee and chairman of the Council of State, recently paid a working visit to Phu Yen Province. He was accompanied by Tran Kien, secretary of the CPV Central Commitee Party Central Committee and director of the Central Control Committee.

Phu Yen, established in July 1989 by splitting the former Phu Khanh Province, still faces numerous budgetary difficulties. The local party organization and people, however, have made many efforts to overcome the initial trials and have basically stabilized their living conditions and developed production, particularly on the agricultural production front. Through its study of the Resolution of the CPV Central Committee's Eighth Plenum, the province has achieved a high level of unity of views and action. A number of progressive models of mass mobilization work have emerged, further strengthening party-people relations, enhancing party members' quality, and purifying the ranks of cadres and party members.

To prepare for the Seventh National Party Congress, large numbers of party members and the masses have enthusiastically made suggestions to the various draft documents of the congress. Nearly 50 percent of grassroots party organizations have held their first-round congresses and are actively preparing for district and city party congresses. In 1991 Phu Yen is striving to achieve a gross grain output of 290,000 metric tons in paddy equivalent, export $15 million worth of products, collect a total of 21.4 billion dong in taxes for the local budget, and increase its gross social product by 6-8 percent over 1990.

Addressing the province's key leaders, Chairman Vo Chi Cong warmly commended the achievements recorded by the party organization and people of Phu Yen over the past nearly two years, particularly in developing production, stabilizing the living conditions of cadres and the people, and building some necessary material and technical bases. Tuy Hoa City has constantly undergone renovation and has become the worthy economic and political center of the province.

The chairman clearly pointed out: Phu Yen should bring into full play its strengths, namely agricultural production. It should quickly increase its cattle population to increase the number of draft animals, increase exports, work out plans to expeditiously restore and develop the planting of traditional crops such as sugar cane, tobacco, cotton, mulberry, and so forth. These are the products that abounded in Phu Yen during the years of the Anti-French Resistance. Phu Yen should attach importance to economic cooperation and joint ventures with various economic sectors in and outside the province, promote investment cooperation with foreign countries, and set up joint-stock companies and enterprises whenever there are sufficient conditions for them to effectively carry out production and trading activities in accordance with the law to attract more and more investment capital. The province should encourage the production of goods for export to quickly increase export values. It should actively implement all around renovation, with due emphasis laid on the training of a contingent of technical workers and cadres in charge of economic management. To contribute to the fine success of the Seventh National Party Congress, the party organization and administration of Phu Yen should concentrate their efforts on satisfactorily guiding grassroots party organization congresses. These congresses should discuss and make as many suggestions as possible to the various draft documents of the national party congress and elect worthy delegates to attend upper-level congresses.

Chairman Vo Chi Cong also reminded the party organization and people of Phu Yen to bring into full play their tradition of unity to build their province and firmly maintain the militant solidarity between the peoples of Phu Yen and Khanh Hoa Provinces, who should help each other achieve economic and cultural development.

During the same period, Chairman Vo Chi Cong also visited and worked with cadres and the people of Binh Dinh and Khanh Hoa Provinces.

Australia

Seven Seized Indonesian Boats Lost on High Seas

BK1903104991 Hong Kong AFP in English 0902 GMT 18 Mar 91

[Text] Darwin, March 18 (AFP)—The Royal Australian Navy admitted Monday to having lost seven Indonesian fishing boats during storms while they were being escorted to Darwin after being arrested for illegal fishing.

Coastwatch aircraft and a navy patrol boat launched a search Monday for the boats which were among a group of 11 apprehended by the patrol boat HMAS [Her Majesty's Australian Ship] Gladstone on Friday.

They were being escorted south by another patrol boat, HMAS Wollongong.

A navy spokesman said the convoy had ran into storms, heavy seas and rain squalls about 100 nautical miles north of the Arnhem Land coast on Sunday night.

The spokesman said HMAS Wollongong, unable to tow the boats, had been forced to try to shepherd them during the storms.

"It is a very difficult task and it would appear she's only been able to round up four of the boats," he said.

HMAS Wollongong is escorting the four boats back to Darwin, while HMAS Bendigo and a Coastwatch aircraft conduct a search of the area where the others disappeared.

Wollongong is expected in Darwin Tuesday, becoming the third patrol boat to escort convoys of apprehended vessels to the port in the past week.

A total of 30 boats have been arrested in a 70-square mile (182 square kilometre) area, 130 nautical miles north of Cape Wessel, off Arnhem Land.

HMAS Dubbo towed 11 boats into Darwin on Saturday, and HMAS Geelong arrived Sunday with eight more.

Dubbo on Sunday set out to return to the search area, joining six other patrol boats in the Arafura Sea.

Meanwhile, Indonesian authorities have yet to respond to news of the mass arrests, after approaches about the problem in recent weeks by Australian Ambassador in Jakarta Phillip Flood.

Mr. Flood had asked the Indonesian Government to take more effective steps to combat the influx following the recent arrest of 232 trochus shell fishermen off Broome in December.

Australian authorities say most of the vessels arrested this week are similar in appearance to the boats used by the trochus shell fishermen off the northwest coast.

They say it is the first time these types of vessels, believed to be from southeastern Sulawesi, have been sighted in the Arafura Sea.

Understood to be attracted by current high prices for shark fin on Asian markets, they are reported to be using the Port of Merauke in Irian Jaya as a base for their operations.

The port has a shark processing facility which is supplied by traditional fishermen.

In talks with Indonesian Agriculture Minister Wardoyo two months ago, Mr. Flood said that while he recognised there was no immediate solution to the problem, there was a need for more forceful action.

There should be further and more effective steps to inform fishermen they were using Australian waters illegally, along with an attempt to inform processing operators they were breaking the law by handling illegal catches.

Fiji

Union Ban on Australian Mining Firm 'Illegal'

BK1903102991 Hong Kong AFP in English 0651 GMT 19 Mar 91

[Text] Suva, March 19 (AFP)—Fiji's Government Tuesday declared trade union bans on an Australian-owned mining company illegal and warned a strike by local miners was taking a "dangerous trend."

Industrial Relations Minister Taniela Veitata took out a ministerial declaration under the Trade Disputes Act because of the claimed involvement of unions not connected directly with the dispute.

He said there appeared to be a boycott by customs officers as well as oil and transport workers dealing with supplies for the mine operations.

Mr. Veitata last week made four unsuccessful efforts to resolve the 21-day old strike at the Emperor Gold Mining Company mines in the west coast district of Vatukoula.

Between 700 and 900 local miners are demanding union recognition and improved pay, housing and work conditions.

Mr. Vietata also said he believed the workers are "innocent victims of a political conspiracy and who should now be warned about the dangerous trend with which their strike is developing."

"It is clear to me that the strike is more political than the stated objectives of the union," he said.

It was "planned and orchestrated not only to destabilise the Emperor Gold Mines and the government, but also for cheap political gains by agitators."

His comments were apparently directed at the Fiji Trades Union Congress backed by the Indian-dominated opposition parties, which imposed a ban on Emperor last Saturday.

Emperor's resident manager, Andrew Cullum, said the company had sufficient fuel and other essential supplies to keep the mines running for many months.

He said that 890 of the 1348 workers at the mines have returned to work—a claim denied by the mineworkers' union, which says more miners are joining the strike than before.

French Polynesia

Opposition Party Set To Form New Government

BK1903002891 Hong Kong AFP in English 1808 GMT 18 Mar 91

[Text] Papeete, March 18 (AFP)—A right-wing opposition party has won almost half the seats in Polynesia's local parliament, putting it in a position to form a new government if it can forge an alliance with the smaller new fatherland party, according to election results published Monday.

The people's rally party, or Tahoeraa Huiraatira, headed by Gaston Flosse took 18 of the territorial assembly's 41 seats in voting in the French overseas territory Sunday. The party is considered close to the right-wing opposition RPR [Rally for the Republic] in mainland France.

Polynesian union, led by Polynesian President Alexandre Leontieff and the speaker of the outgoing parliament Jean Juventin, took just 14 seats.

The results give Mr. Flosse a mandate to form a new majority and take the helm of the territorial government if he can obtain the support of Emile Vernaudon, who heads the new fatherland (Ai'a Api) party, which won five seats in the election.

Mr. Vernaudon and Mr. Leontieff currently represent Polynesia as deputies in the French parliament in Paris, along with Daniel Millaud, a senator.

Sunday's election saw people's power (Ia Mana Te Nunaa), which opposes French nuclear testing in the Pacific and seeks eventual independence for Polynesia, lose all three seats it had held since 1986.

However the Polynesian Liberation Front, which also wants nuclear tests halted but seeks immediate independence, doubled its representation in parliament from two to four seats.

Voter turnout was 78.34 per cent, the results showed.

Under French law, Polynesia is an autonomous territory administered by freely-elected representatives. Its local parliament has a five-year term and can overturn the government, but not dissolve it, a power held only by the French president.

New Zealand

Bolger—Alleged Soviet Spy Deported

BK2003053491 Hong Kong AFP in English 0529 GMT 20 Mar 91

[Text] Wellington, March 20 (AFP)—A man using a forged British passport and working undercover as a Soviet spy has been deported from New Zealand, Prime Minister Jim Bolger told parliament here Wednesday.

In an urgent statement to the house Mr. Bolger said Anvar Razzakovich Kadyrov was a member of the Soviet intelligence service who had been trying to establish an illegal identity here.

He said Mr. Kadyrov had entered New Zealand in January purporting to be a British citizen and using a forged British passport. The forgery was not recognised at the time and he was given a six months' visitors permit.

Mr. Bolger said Mr. Kadyrov had later used a copy of a birth certificate for a New Zealander, who was born in 1960 but died as a child, to try to obtain a New Zealand passport.

Mr. Bolger said that on being questioned Mr. Kadyrov had given his name and said he was a Soviet citizen, born in Uzbekistan in 1959. The Soviet Embassy had confirmed his identity.

On March 4, Mr. Kadyrov was charged in court with an offence under the passport act and released on bail.

Mr. Bolger told parliament that subsequent investigations established Mr. Kadyrov was a member of the Soviet intelligence service "and was in the process of establishing an identity to allow him to operate as an illegal officer."

"Soviet intelligence services use such officers to operate under assumed cover," he said.

Mr. Bolger said Governor General Dame Catherine Tizard had Tuesday made a deportation order "on the basis that the minister of immigration had certified that this person was a threat to national security".

"The order was then served on Kadyrov and he was arrested under the provisions of the immigration act".

Mr. Bolger said Mr. Kadyrov was then detained and deported Tuesday.

Opposition Leader Mike Moore said he was fully briefed and he believed the government and prime minister had taken the only action possible.

"They have done the correct thing," he said.

USSR Envoy Denies Spy Allegation

BK2003093891 Hong Kong AFP in English 0925 GMT 20 Mar 91

[Text] Wellington, March 20 (AFP)—New Zealand has deported a man believed to be a Soviet spy, Prime Minister Jim Bolger said Wednesday.

He said the man, named as Anvar Razzakovich Kadyrov, had entered New Zealand on a forged British passport and tried to obtain a New Zealand passport using a technique made famous in the novel "Day of the Jackal."

However, a seemingly bewildered Soviet Ambassador Yuri Sokolov denied Wednesday night that the man was a spy, saying it was unreasonable to think his country would send agents here.

"It's a case of immigration, not of spying," he said. "What do you think people can spy on in New Zealand?"

The drama broke unexpectedly during a routine parliamentary debate when Mr. Bolger asked to make a prime ministerial statement.

He said Mr. Kadyrov arrived in January on a forged British passport which was not recognised as such and he was granted a six months visitor's permit. Later he sought to obtain a New Zealand passport using an official copy of a birth certificate for a New Zealander born in 1960 but who had died as a child. "The man was arrested for passport irregularities," Mr. Bolger said. "On being questioned he stated he was a Soviet citizen named Anvar Razzakovich Kadyrov, born in Uzbekistan in 1959 and the Soviet Embassy confirmed this."

Mr. Bolger said that on March 4 Mr. Kadyrov was charged in a district court with an offence under the Passport Act and released on bail.

"After this, investigations established he was a member of the Soviet intelligence service and was in the process of establishing an identity to allow him to operate as an illegal officer. "Soviet intelligence services use such officers to operate under assumed cover."

A deportation order was signed by Governor-General Dame Catherine Tizard on the basis that Mr. Kadyrov was a "threat to national security" and he was deported on March 19.

Speaking on Television New Zealand (TVNZ), Mr. Sokolov said, "all of this is a big misunderstanding." "I think people now are very eager to emigrate from the Soviet Union, so perhaps it was one of the failed tries," the ambassador said.

He said he had known of Mr. Kadyrov two weeks ago when New Zealand immigration informed the embassy of the arrest of a Soviet citizen. The incident showed the need for an immigration agreement between the Soviet Union and New Zealand, Mr. Sokolov said.

In a separate interview Embassy Counsellor Valeriy Bobounov said he guessed the deported man was "a gentleman from one of our Asiatic republics, and that's all."

"You know we have roughly 25 to 26 Soviet citizens who live here permanently and we know every one of them," he said.

Mr. Bobounov said incidents between Soviet citizens in New Zealand and the government occurred regularly. "Every six months we have some sort of game here. I don't know why but it is so." He said he did not know who in the embassy would have confirmed Mr. Kadyrov's identity to the government.

Mr. Bolger's handling of the incident was low key compared with previous Soviet spy claims here.

It came as the New Zealand Dairy Board is trying to get letters of credit from the Soviet central bank for a Soviet order of butter and wholemilk powder worth 266 million New Zealand dollars (156 million U.S.), around a third of New Zealand's annual dairy production.

TVNZ said Wednesday night that Mr. Kadyrov, nicknamed "Comrade X" by police, had been kept in holding cells at Auckland Central Police Station for the unusually long period of 12 days. He had been arrested by Detective Senior Sergeant Mike Savage who was currently escorting the man back to Moscow.

TVNZ said the "spy" was about 30, well-dressed and goodlooking.

Labour opposition leader Mike Moore said he was fully briefed and he believed the government had taken the only action possible.

The last spy claim came in April 1987 when a Labour government expelled Embassy Counsellor Sergey Budnik, giving him seven days to leave the country for "activities which were not in accord with his declared status as a diplomat," diplomatic shorthand for spying.

In 1980 New Zealand expelled Soviet Ambassador Vsevolod Sofinsky for allegedly passing funds to the Moscow-aligned Socialist Unity Party.

In 1985, following the sinking of the Greenpeace ship Rainbow Warrior with the death of one man, two French agents, Alain Mafart and Dominique Prieur, travelling on false Swiss passports, were convicted of manslaughter and jailed for 10 years.

Within a year, however, after a deal with Paris, they were deported to Hao Atoll in French Polynesia.

Papua New Guinea

McKinnon Promises Aid Contribution, Ends Visit

BK1903124691 Hong Kong AFP in English 1200 GMT 19 Mar 91

[Text] Port Moresby, March 19 (AFP)—New Zealand will contribute 150,000 kina (158,000 U.S. dollars) to Papua New Guinea's fight against crime, External Relations and Trade Minister Don McKinnon said as he ended a four-day visit here Tuesday.

The money will come under existing aid arrangements, Mr. McKinnon said, and will be used to buy mobile communications equipment to enforce curfews which come into force on Wednesday.

Mr. McKinnon, who is also deputy prime minister, repeated New Zealand's willingness to help break the "deadlock" between the authorities in Papua New Guinea and rebel forces on Bougainville island.

The government has imposed a nine-hour curfew from 8.00 P.M. to 5.00 A.M. in Port Moresby, the north coast cities of Lae and Popondetta, and in parts of the highlands including Mount Hagen.

The crime wave, which Papua New Guinea's Prime Minister Rabie Namaliu has described as a "cancer", undermined foreign investment, Mr. McKinnon said.

"It does have an effect on whether people come to your country or not, whether they invest in your country or not, and whether they are prepared to live here," he told a news conference here.

"You can't help being conscious of the barbed wire," he added, referring to a common method of house protection here.

Turning to the crisis on Bougainville, Mr. McKinnon said that New Zealand wanted to see progress towards peace before it agreed to join a proposed Multinational Supervisory Team (MST). He said that the MST's role was "to maintain the peace and to see the evolution continue of development between the two parts of Papua New Guinea, rather than being there to secure the peace in the first place."

Proposals for the MST were outlined in a peace agreement between government negotiators and rebel representatives in Honiara, the Solomon Islands capital, on January 23.

"I guess what we are really looking at now is the need to secure the peace," Mr. McKinnon said. "Once we see the peace is secured, that would be an appropriate time for New Zealand to participate in an MST."

The first formal meeting between government negotiators and the Bougainville Revolutionary Army was held aboard the New Zealand warship HMNZS Endeavour last August.